

PART III

DEVELOPING A SOUND ECONOMY

CHAPTER 10: ECONOMIC DEVELOPMENT

Economic development is a process that influences the growth and restructuring of an economy to enhance the well-being of a community. Through economic development activities, existing businesses are nurtured and expanded, new businesses are attracted to an area, entrepreneurship is fostered, and new enterprises are created. Each of these activities leads to job creation, an increase in the tax base, and improvement of the overall quality of life within a community.

A community's economic health generally depends on its ability to attract and hold business establishments and industrial plants. The principal local economic factors that affect business location decisions include proximity to markets, availability of a suitable labor force, land prices, prevailing wage scales, cost of living, transportation costs, utility rates, and tax levels. Businesses are also influenced by the character of the community, especially features which enhance its livability: good housing supply, quality of schools, public safety and other services, viable transportation options, and availability of cultural and recreational amenities.

There has been a shift over the years in policy and philosophy regarding the relationship between local government and the economy. Increasingly, cities are looking for ways to stimulate their local economy to generate more jobs for their urban residents, as well as to increase the tax base and per capita income. However, increasing the tax base and per capita income is most challenging in central city areas, where cities are faced with issues such as high unemployment and disinvestment.

This chapter discusses existing conditions and trends in Fort Worth, and the City's economic development goals and objectives, policies and strategies, and programs.

EXISTING CONDITIONS AND TRENDS

The Fort Worth economy has evolved from dependence on the cattle, cotton, oil, and defense industries to its current emphasis on services, transportation, and high tech manufacturing. Even with the impact of a global recession over the past several years, these conditions are a significant improvement from the beginning of the 1990s, when Fort Worth was experiencing a high unemployment rate due to its relative lack of economic diversification. A Peat Marwick study identified Tarrant County as the second most defense-dependent area in the United States in the early 1990s. At that time, the local economy lost over 44,000 jobs as a result of defense downsizing and its impact on Carswell Air Force Base. Since then, community leaders have worked diligently to diversify the economy and to help stimulate small business development and growth. The City, in conjunction with local business leaders, initiated a number of economic diversification projects, including the Fort Worth Business Assistance Center (BAC), and Tech Fort Worth.

Tarrant County College Trinity River Campus



The new Tarrant County College Trinity River Campus is housed in the renovated former RadioShack Downtown headquarters located on the south bank of the Trinity River. (Source: City of Fort Worth, 2009.)

Major Employers

Fort Worth is developing into a major center for industry, technology, transportation, and government. The table to the right shows selected major employers located in Fort Worth. Although the local economy has slowed due to the nation's economic recession, the diversity of Fort Worth's economy should continue to expand in various economic sectors, such as electronics, manufacturing, corporate headquarters and offices, finance, health care, transportation, education, and hospitality.

Employment Centers

Employment centers are areas with large concentrations of employees, including business parks, business clusters, and industrial parks. These centers are generally located in areas with access to major highways. Fort Worth has six significant employment centers: Downtown, Medical District/Near Southside, NAS-JRB/Lockheed Martin, CentrePort Business Park, Alliance, and Carter Industrial Park.

The largest employment center is the Downtown Central Business District (CBD), with an employment base of 52,648 persons in 2009 according to the U.S. Census Bureau. This urban center has eleven million square feet of office space, first-class hotels, restaurants, shops, arts and entertainment facilities, and historic structures. Employment in this area is expected to continue to grow. The Barnett Shale natural gas boom has contributed to the growing Downtown employment base, as companies such as XTO Energy, Devon, Range Resources, and Chesapeake demand more office space. Downtown is experiencing a residential renaissance as individuals and families embrace an urban lifestyle. Several Downtown hotels have rebranded and invested in upgrades which, combined with the new Omni Hotel and recently renovated Convention Center, will further stimulate convention and visitor business. Higher education has become a mainstay in Downtown with the TCC Trinity River East Campus opening in 2011 that is built into the bluff overlooking the river and the new University of Texas at Arlington Fort Worth Center and Texas Wesleyan Law School. In addition, redevelopment of the southern part of the CBD, including the Lancaster Avenue, Intermodal Transportation Center, and Convention Center areas, will create significant opportunities for new jobs, businesses, and services.

The second largest employment center is the Medical District/Near Southside, with over 30,000 employees. About 10,000 are employed at the five large medical centers. Another 8,000 work in medically related businesses such as doctor's offices, imaging centers, outpatient surgery centers, treatment facilities, and support services. The remaining 12,000 employees work in an array of non-medical businesses. A Tax Increment Finance (TIF) District helps fund enhanced infrastructure investments that support redevelopment and job growth in the Medical District. The continued leadership of Fort Worth South, Inc., a nonprofit corporation, will be instrumental in this redevelopment.

The CentrePort Business Park, located just south of the DFW airport, also has over 30,000 employees. Under development since 1982, this employment center is composed of 8.5 million square feet of office, retail, and industrial space, with a total projected build-out of 14.2 million square feet. In addition, 2,000 multifamily units

2011 Major Employers in Fort Worth

(Number of Employees)

Company	Employment
AMR/American Airlines	22,169
Texas Health Resources	18,866
Lockheed Martin	14,988
NAS Joint Reserve Base	11,350
Fort Worth ISD	11,000
City of Fort Worth	6,195
JPS Health Network	4,872
Cook Children's Medical Center	4,826
Tarrant County	4,173
Texas Health Harris Methodist Fort Worth	3,968
Bell Helicopter Textron, Inc.	3,820
Fidelity	3,700
Alcon Laboratories	3,346
ATC Logistics & Electronics	3,315

In 2011, AMR/American Airlines was the largest employer in Fort Worth. Over the course of the 1990s, Fort Worth's economic base became less defense-dependent and more diverse. (Source: Fort Worth Chamber of Commerce, 2011.)

are located in the area. The area also houses a 300-room Marriott Hotel. Many of the businesses at this location are related to the airport, such as the American Airlines world headquarters. Its central location within the Metroplex, along with good access to highways, developable land, a commuter rail station for the Trinity Railway Express, and proximity to the airport, will contribute to its continued growth.

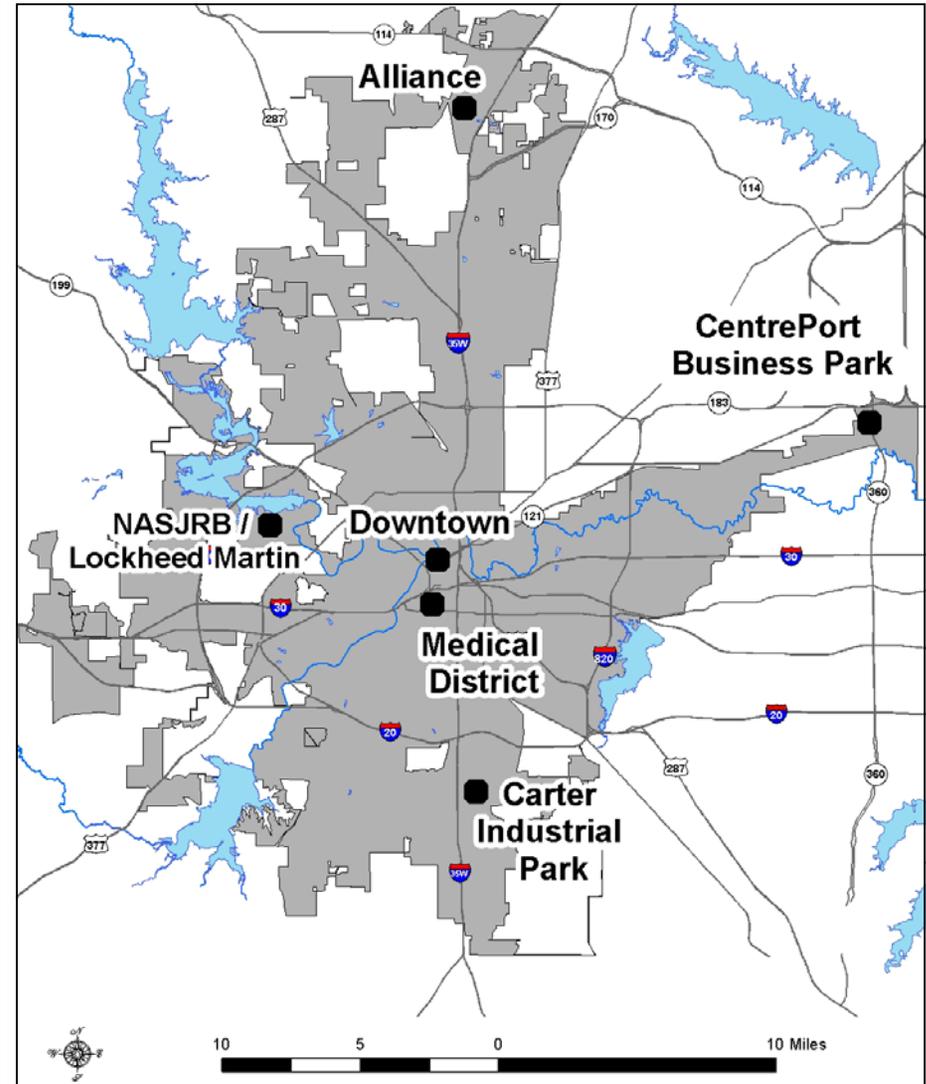
The NAS-JRB/Lockheed Martin growth center has slightly over 25,000 jobs. This growth center includes the Naval Air Station Joint Reserve Base. The base is a joint defense facility that plays a pivotal role in training and equipping air crews and aviation ground support personnel in accomplishing its primary purpose of defense readiness. NAS-JRB employs over 11,000 military and civilian workers. Lockheed Martin Aeronautics, employing 14,000 in Fort Worth, is a world leader in the design, research and development, systems integration, production and sustainment of advanced military aircraft and related technologies. Its customers include the military services of the United States and allied nations throughout the world. Company products include the F-35 Lighting II Joint Strike Fighter, F-22 Raptor, F-16, C-130, C-5, P-3, U-2 aircraft and advanced development programs.

Another area that will grow due to its location and access to roadways, rail, and an airport is the 17,000-acre AllianceTexas development. The success of AllianceTexas demonstrates that public and private sector partnerships can stimulate local and regional growth. Combined public and private investment at Alliance allowed key infrastructure to be developed, including a large general aviation airport, water and wastewater facilities, and highway improvements. Of nearly \$7.2 billion invested in the area, \$388 million in local, state, and federal funds were used to augment nearly \$6.8 billion in private investment. Between 1990 and 2009 the Alliance area generated over \$838 million in property taxes for the cities of Fort Worth, Haslet, and Roanoke, the counties of Denton and Tarrant, and the Keller and Northwest Independent School Districts. The total share collected by the City of Fort Worth was approximately \$162 million, with \$21.3 million received in 2009. For the North Texas region, the AllianceTexas development has generated a \$38.5 billion economic impact since 1990.

For years 2006-2008, Alliance Foreign-Trade Zone #196 ranked as the nation's top U.S. general purpose Foreign-Trade Zones in foreign merchandise admitted to the zone. In FY 2009, the latest year that data is available, Foreign-Trade Zone #196 admitted \$3 billion in foreign products, ranking among the nation's top three FTZs. Major users of Foreign-Trade Zone #196 at Alliance include Hyundai, Trans-Trade, LEGO, Genco ATCLE, Callaway, and Motorola.

The 17,000-acre AllianceTexas development includes the Alliance Global Logistics Hub, Alliance Town Center, the Monterra Village apartment home community, the corporate campuses of Circle T Ranch, the Vaquero estate golf community, and the Heritage and Saratoga residential communities. AllianceTexas now houses 7,400 single-family homes and 260 companies that occupy 31.2 million square feet. Fifty-three of the companies at AllianceTexas are ranked on the Fortune 500, Global 500 or Forbes List of Top Private Firms. As of July 2011, 28,000 jobs have been created.

Major Employment Centers



Downtown is Fort Worth's largest employment center, with 52,648 jobs, followed by the Medical District and CentrePort with approximately 30,000 jobs each. The NAS-JRB/Lockheed Martin Growth Center has slightly over 25,000 jobs. Alliance, with over 20,000 jobs, and Carter Industrial Park, with over 9,000, are also recognized as major employment centers. (Source: Planning and Development Department, 2011.)

Only 5,500 of Alliance's 17,000 total acres have been developed. At full build out, the development is projected to house 88 million square feet of commercial space and employ 92,000 workers.

Carter Industrial Park is a major industrial park in Tarrant County with over nine million square feet of light industrial space, twice as much square footage as the next largest industrial park. Mereken Land & Production Company manages this fast growing employment center, which enjoys a 96.5 percent occupancy rate. Thirty-two companies employ over 9,000 people in the industrial park, having a concentration of national and regional food and beverage related processors and distributors. The largest employer is Alcon Laboratories, occupying two million square feet, with over 2,500 employees. The significance of Carter Industrial Park to the tax and employment base of Southeast Fort Worth makes the future growth of this employment center a key element of the Southeast Fort Worth Action Plan, the strategic plan guiding redevelopment in southeast Fort Worth.

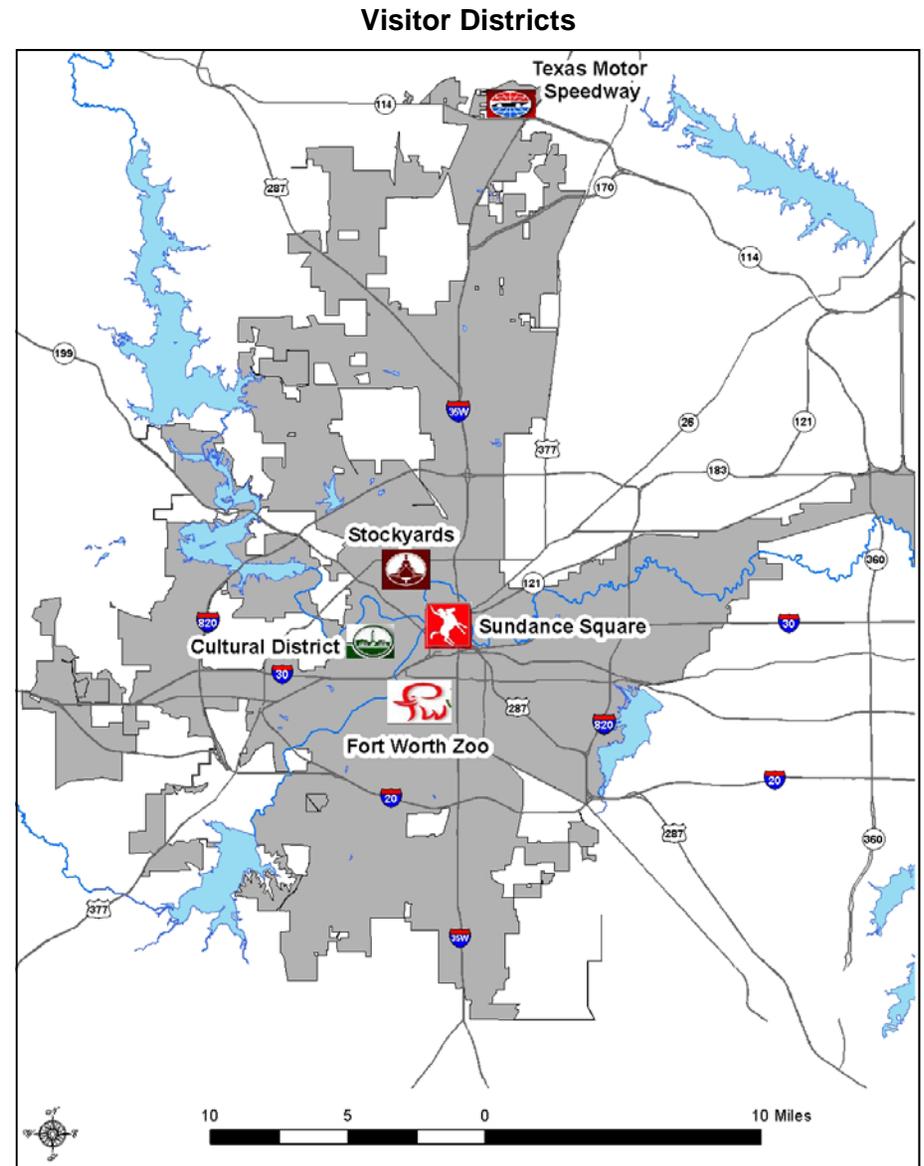
Labor Force

The Fort Worth economy hosts a diverse array of businesses in all industry sectors, including high technology. A highly skilled labor force is essential to Fort Worth maintaining its competitiveness in business relocations and expansions. According to Texas Workforce Commission, in 2010 the Fort Worth labor force was approximately 337,366 civilian individuals, with about 91.5 percent employed, and 8.5 percent or 28,538 unemployed. Of those city residents that are unemployed and underemployed, many lack the necessary skills for today's job market. As a result, these residents remain in a cycle of chronic unemployment and underemployment. According to the 2010 Census, approximately 22 percent of persons 25 years and over did not have a high school diploma in Fort Worth. Lack of adequate funds, transportation, and childcare services are often cited as reasons for not pursuing educational and job training programs. The lack of education and workforce skills translates into low wages and an inadequate labor force to meet the workforce needs of the business community.

In order to address local workforce needs, various organizations have established job training programs designed to meet the current and long-term needs of the labor market (see section on job training organizations in this chapter).

Tourism

Tourism continues to be a significant contributor to Fort Worth's economy. The Convention and Visitors Bureau (CVB), founded in 1965 and under contract with the City of Fort Worth, is the official marketing organization for the City of Fort Worth. The Bureau's mission is to market the city as a premier business and leisure destination, enriching Fort Worth's hospitality industry and the community's overall quality of life. The CVB estimates that 5.5 million people visited Fort Worth in 2008 and stayed 10.2 million days, spending \$1.3 billion. In 2008, visitors spent \$260 million on restaurants and other eating and drinking establishments, \$257 million on accommodations, \$224 million on retail goods (excluding gasoline), and \$199 million on arts, entertainment and recreation. In 2010, tourism generated 16,800 jobs



Fort Worth residents and visitors enjoy the events and attractions in the city's five main visitor districts. (Source: Planning and Development Department, 2011.)

with earnings of \$414.8 million, and local tax revenue of \$29.5 million and state tax receipts of \$79.0 million. Approximately 80 percent of visitors (7.7 million people) came from Texas cities outside the Dallas/Fort Worth Metroplex area.

Many of Fort Worth's major attractions and events are located within three areas of the city: the Historic Stockyards, Sundance Square in Downtown, and the Cultural District. In an effort to create a common vision and goals for the corridors that link these historically significant and heavily visited areas, the City of Fort Worth and North Central Texas Council of Governments sponsored the Fort Worth Linkages Study. The 1996 Linkages Study recognized the importance of linking the three districts to encourage visitors of one district to remain in Fort Worth and visit the other entertainment districts. The Linkages Study called for the following: enhanced signage with distinctive icons and colors to direct visitors to each district; information systems; redevelopment of the corridors with mixed uses; and fun and frequent transportation, such as a light rail streetcar. Partly in response to the linkages study, updated signage is expected to be installed in 2012 to create a comprehensive wayfinding system.

The spring 2002 opening of LaGrave Field along North Main Street is one example of redevelopment that supports tourism. A part of the vision for North Main Street, LaGrave Field is expected to serve as one component of a comprehensive revitalization strategy for the North Main Street corridor, in addition to being a part of the city's tourism infrastructure. LaGrave Field serves as the ballpark for the Fort Worth Cats, a professional minor league team in the Central Baseball League, and for local college teams. The 5,000-seat ballpark could also be used for other playoff games and tournaments. In 2010, LaGrave Field attracted approximately 225,000 people to minor league games and other events.

Although the Historic Stockyards, Downtown, and the Cultural District are the three most heavily visited areas of Fort Worth, attractions and events in other areas of the city also draw significant numbers of tourists each year. For example, the Texas Motor Speedway, located in north Fort Worth, brings approximately 1.25 million visitors to the area annually. It is the largest sports facility in the Metroplex, the second-largest in the country, and the third-largest in the world. Currently providing an estimated 6,200 jobs per year, the facility serves as a catalyst for additional restaurant, hotel, and retail development in the Alliance area.

Another tourist attraction in the Alliance area is the Cabela's retail store that opened in May of 2005. Cabela's, a popular hunting-and-fishing retailer, built a 230,000-square foot store, the company's second-largest, in north Fort Worth. Cabela's stores are known as educational and entertainment attractions, mixing a décor of museum-quality animal displays with colorful dioramas. Cabela's Fort Worth store employs approximately 270 workers and draws more than 2.5 million visitors annually from northern Texas, Louisiana, and southern Oklahoma.

In addition to attractions and special events, a significant number of people visit Fort Worth each year to attend expositions, sporting events, meetings, and conventions. For example, the Fort Worth Convention Center hosts events year-round including sports, musical performances, trade shows and conventions and other top-flight

Renovated and Expanded Fort Worth Convention Center



The renovation and expansion of the Convention Center has spurred additional development nearby, including the renovation of the Texas and Pacific Terminal, which dates back to 1931, and the new Omni Hotel adjacent to the Center. (Source: Public Events Department, 2009.)

entertainment. The facility spans 14 blocks of the City's central business district, and is located within walking distance of downtown hotels, restaurants, shops, and entertainment venues. The spacious center offers an arena, banquet, meeting and exhibit spaces all under one roof, making it one of the finest of its kind in the Southwest. In FY2009-2010, the facility hosted 393 events which brought over 975,000 guests to the heart of downtown Fort Worth. January 2009 saw the opening of the Omni Fort Worth Hotel, a luxurious 614-room first class convention headquarter hotel. Also in 2009, the new 1,050 space art deco parking garage adjacent to the Center and Omni opened. These two developments along with other improvements to the hotel inventory in downtown positions Fort Worth as a preferred destination in the meeting and convention market.

Another major driver of tourism is the Will Rogers Memorial Center. Established in Fort Worth in 1936 to house events near downtown and in the Cultural District, the **Will Rogers Memorial Center** now attracts in excess of 2 million visitors each year and is home to the legendary Fort Worth Stock Show and Rodeo. This 85-acre facility plays host to an extensive variety of cultural, educational, recreational and sporting events and is a premier destination for national and international equestrian events. Fort Worth is investing \$32 million for a construction and infrastructure campaign that will ensure that the complex remains competitive to the largest and most visible equestrian events in the world.

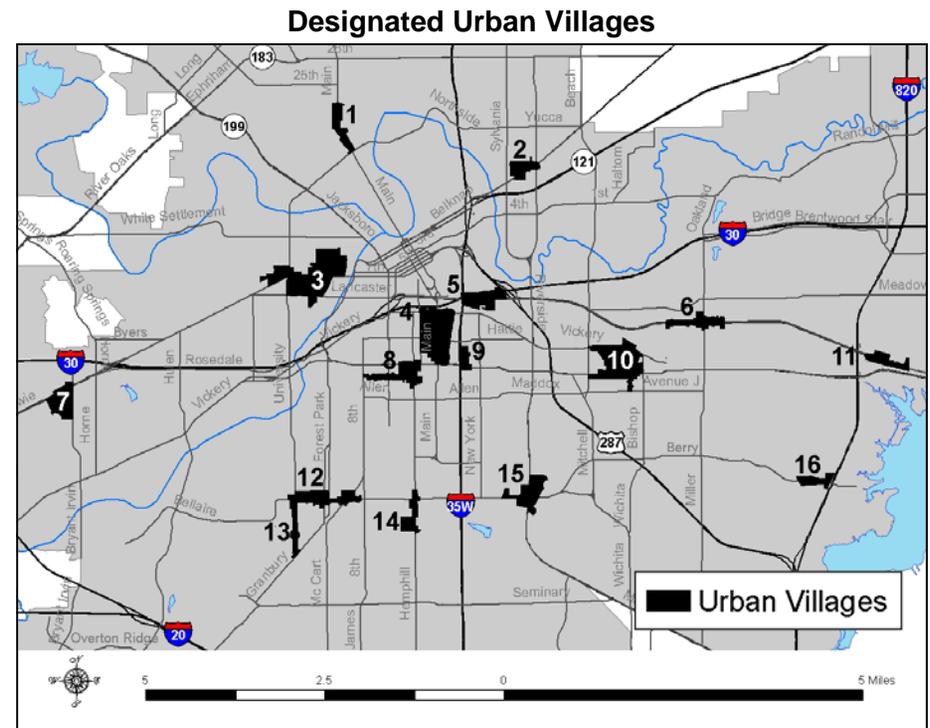
Central City Revitalization

The City has developed a comprehensive strategy to promote central city revitalization. The central city includes 28 percent of Fort Worth's land area, and over 39 percent of the population. It also has a high concentration of poverty and unemployment compared to Fort Worth as a whole. In 2000, the City Council adopted a definition of the central city for revitalization purposes as the area within Interstate 820 that consists of the following:

- CDBG eligible block groups.
- State designated enterprise zones.
- Census block groups that are contiguous by 75 percent or more of their perimeter to CDBG eligible block groups or state designated enterprise zones.

Revitalization of commercial districts in the central city is an important component of the City's economic development efforts. Many of Fort Worth's older commercial areas developed along commercial corridors. Linear in shape and located along designated arterial streets, these corridors tend to be characterized by segregated land uses, a large number of curb cuts, large amounts of signage and impervious surfaces, and parking lots located in front of commercial structures. As higher-income residents moved out of the central city and development activity moved well beyond Loop 820, the linear commercial corridors and commercial districts became less economically viable.

The City seeks to revitalize these commercial districts by promoting their redevelopment as mixed-use growth centers and urban villages – districts which are more compact, contain a greater mix of land uses, and give greater emphasis to

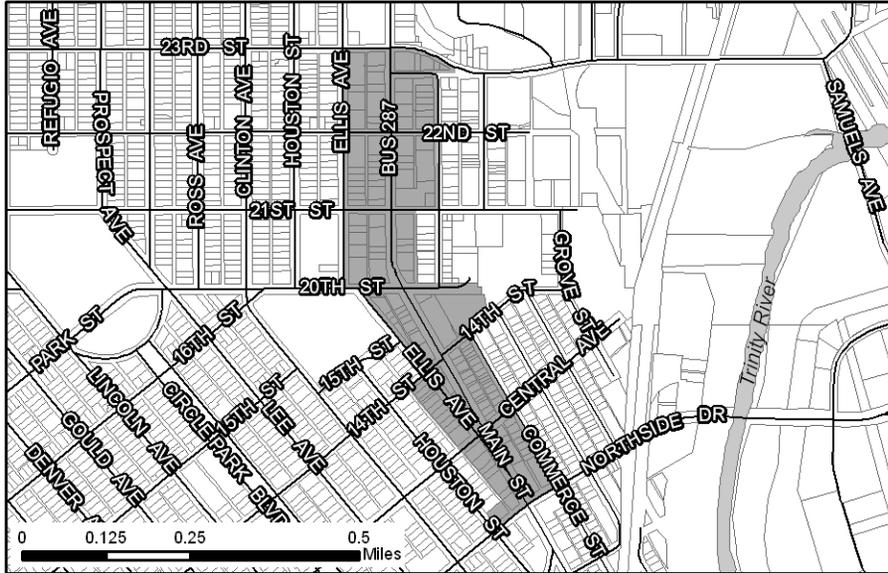


1	Historic Marine	9	Evans & Rosedale
2	Six Points	10	Polytechnic/Wesleyan
3	West Seventh	11	Historic Handley
4	South Main	12	Berry/University
5	Near East Side	13	Bluebonnet Circle
6	Oakland Corners	14	Hemphill/Berry
7	Ridglea	15	Berry/Riverside
8	Magnolia	16	Berry/Stalcup

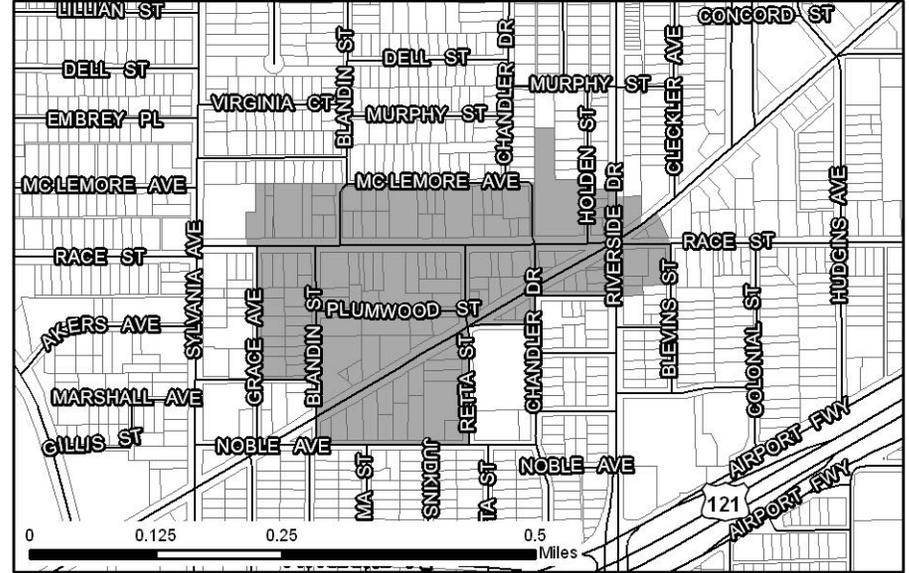
In 2002, the City adopted conceptual redevelopment plans for urban villages along priority commercial corridors targeted for reinvestment. Since that time the City added new urban villages for a total of 16. A map of each designated urban village is provided on the following pages. The City has secured \$4.4 million for planning, design and construction in selected urban villages. Urban village plans for 12 of the 16 villages were adopted by the City Council in December 2007. In addition, the 2004 bond program designated \$2 million in local match funding for urban village projects and to secure other funding as it becomes available.

Urban Village Boundaries

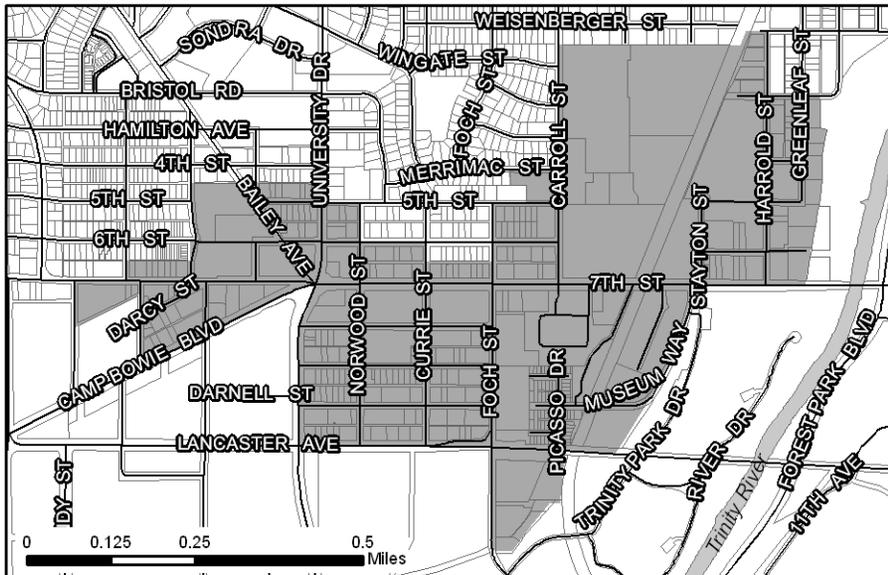
1. Historic Marine



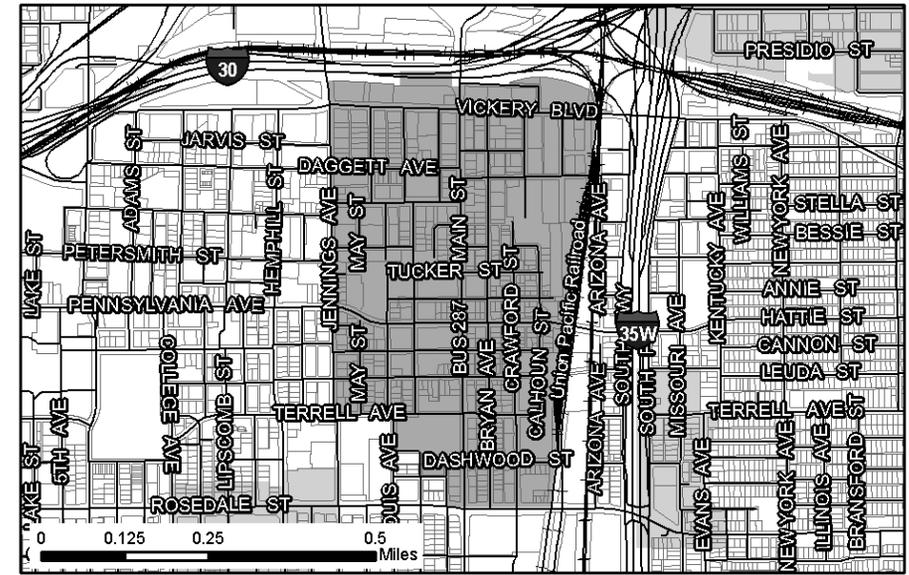
2. Six Points



3. West Seventh



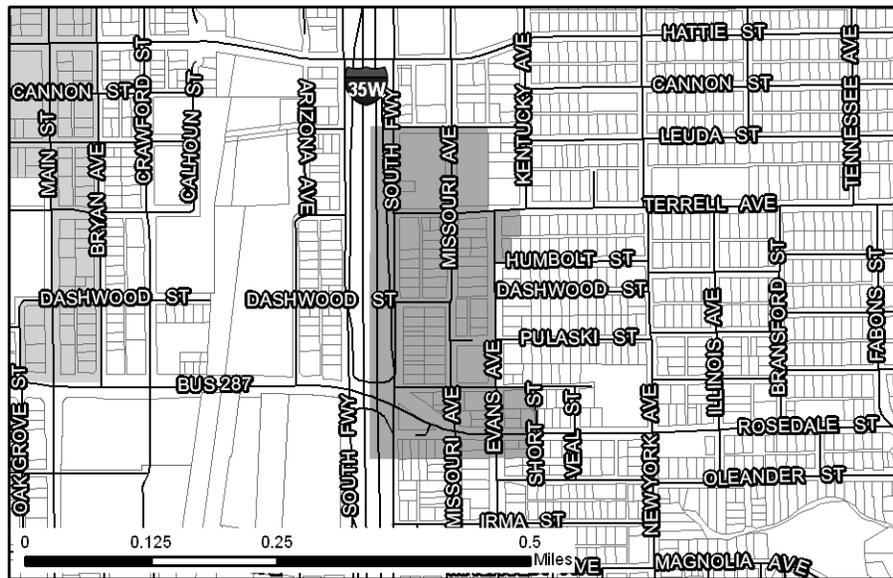
4. South Main



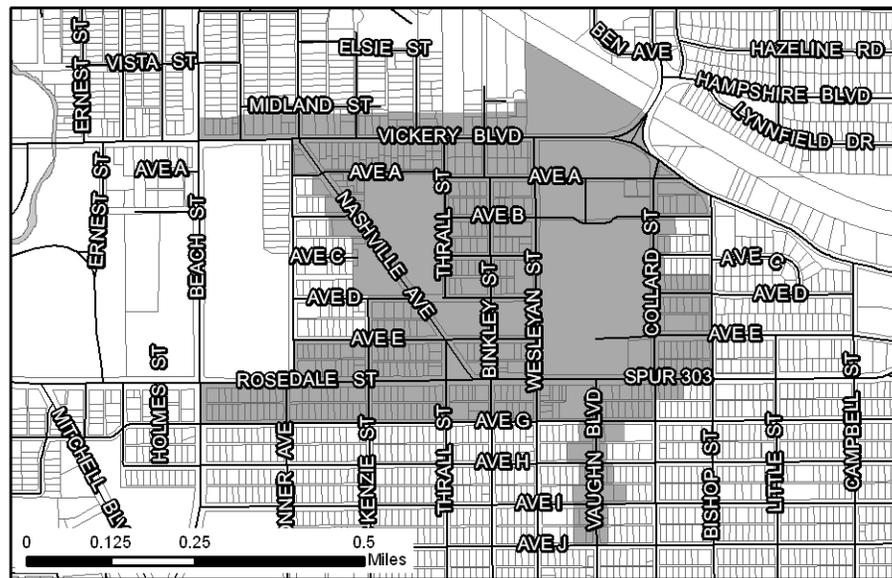
Subject Urban Village
 Other Urban Village

Urban Village Boundaries

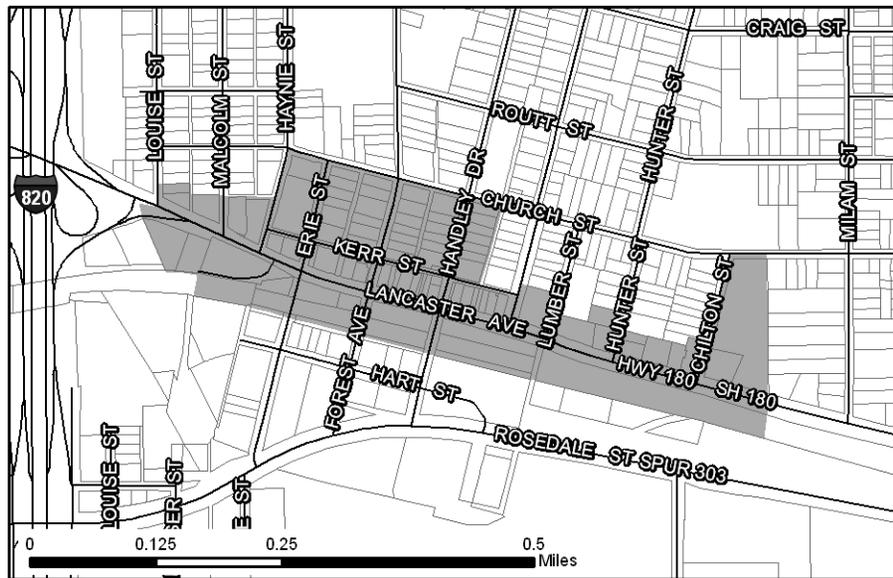
9. Evans & Rosedale



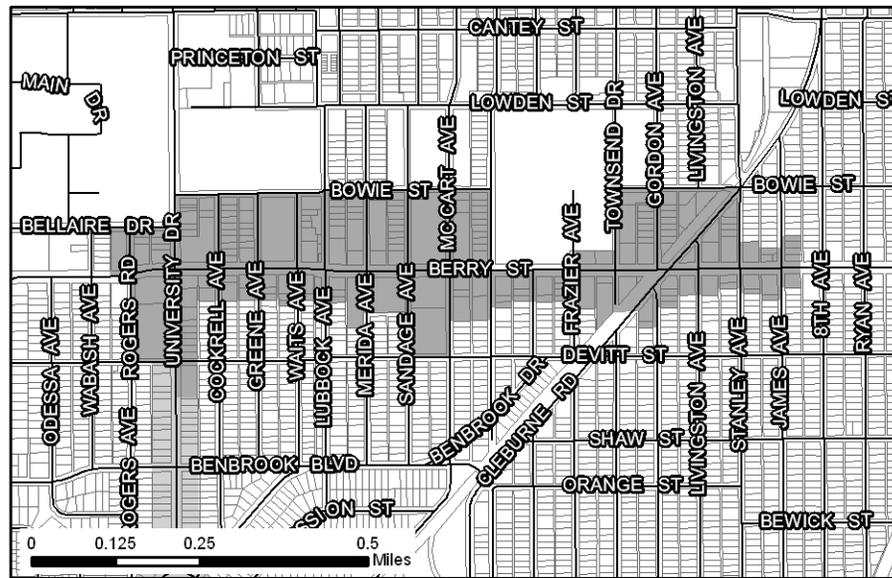
10. Polytechnic/Wesleyan



11. Historic Handley



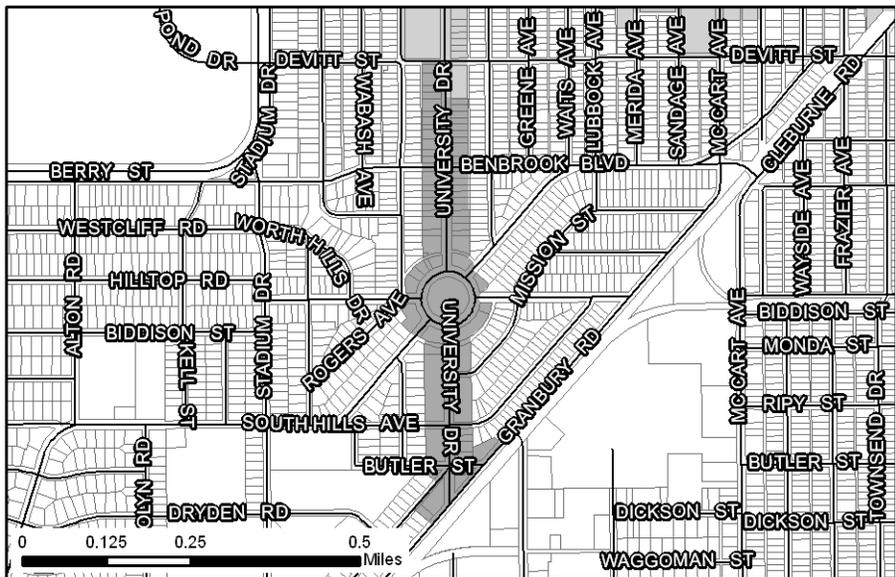
12. Berry/University



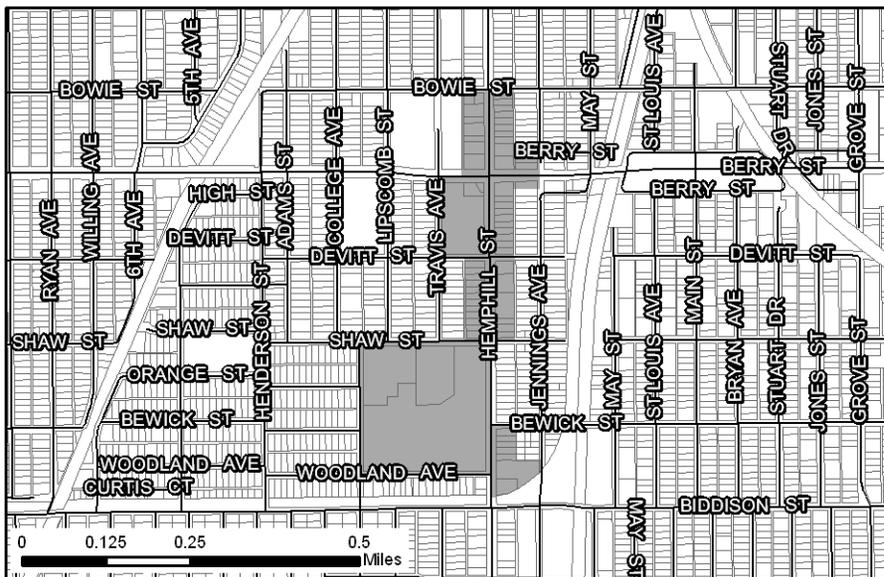
Subject Urban Village
 Other Urban Village

Urban Village Boundaries

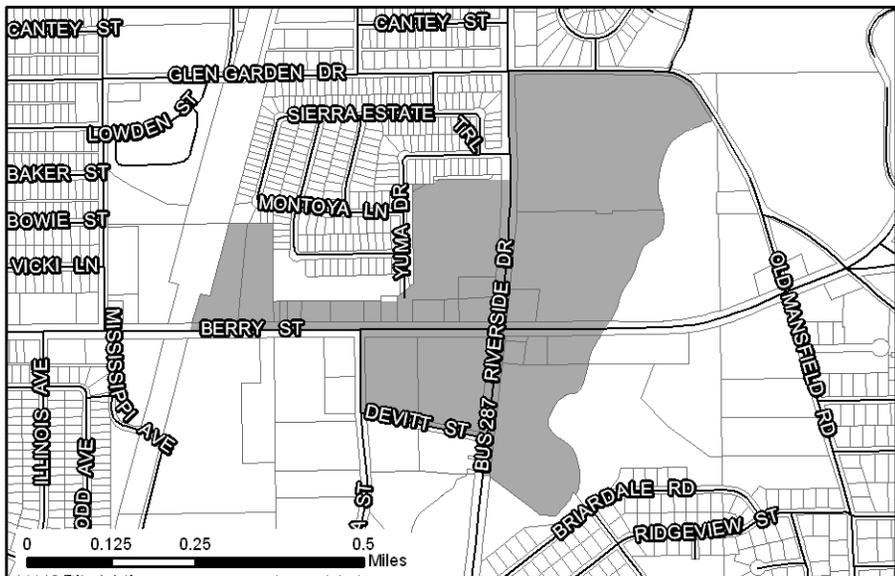
13. Bluebonnet Circle



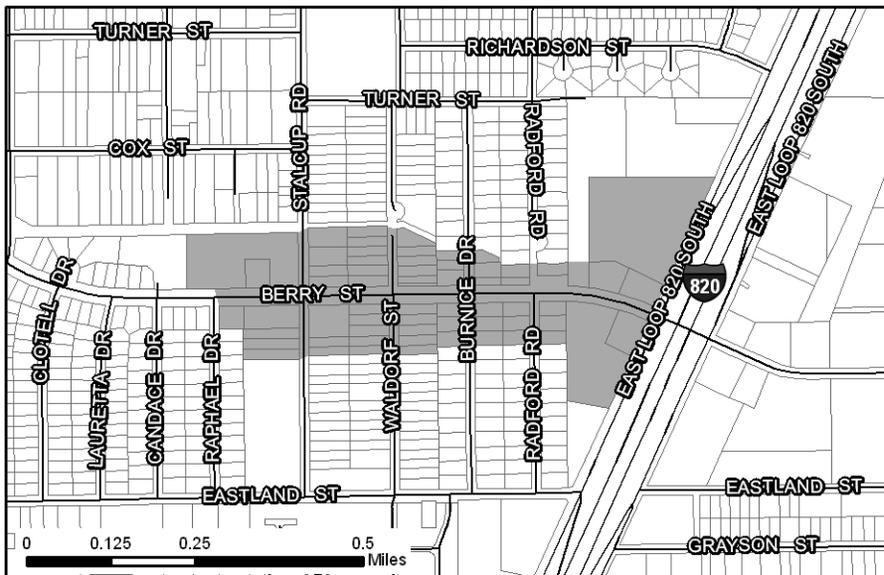
14. Hemphill/Berry



15. Berry/Riverside



16. Berry/Stalcup



Subject Urban Village
 Other Urban Village

pedestrian and transit access.

The City's principal strategies for central city revitalization are:

- Develop compact, pedestrian-oriented mixed-use growth centers.
- Revitalize distressed commercial corridors by developing mixed-use urban villages along those corridors.
- Develop a rail transit system that connects the growth centers and urban villages, and promotes transit-oriented development (TOD) in appropriate transit station locations.

Mixed-use growth centers and urban villages are urban districts having a concentration of jobs, housing, schools, parks, and public facilities. Growth centers and villages also provide access to public transportation in a walkable, compact area with a unique sense of place. Integrating transit in growth centers and villages will facilitate economic vibrancy and sustainability in these districts.

Criteria for designating urban villages include:

- Presence of a market opportunity in the near- or long-term.
- Upward trend in local investment.
- Ability to create mixed-use activity centers, emphasizing live/work/play opportunities with multi-modal access.
- Demonstrated community need, both perceived and quantified, and presence of unified, energetic stakeholders.
- Compatibility with the Comprehensive Plan.
- Physical environment including parks and open space, public improvements, historic building stock, etc..
- Potential for creating key entryways or gateways into development areas.

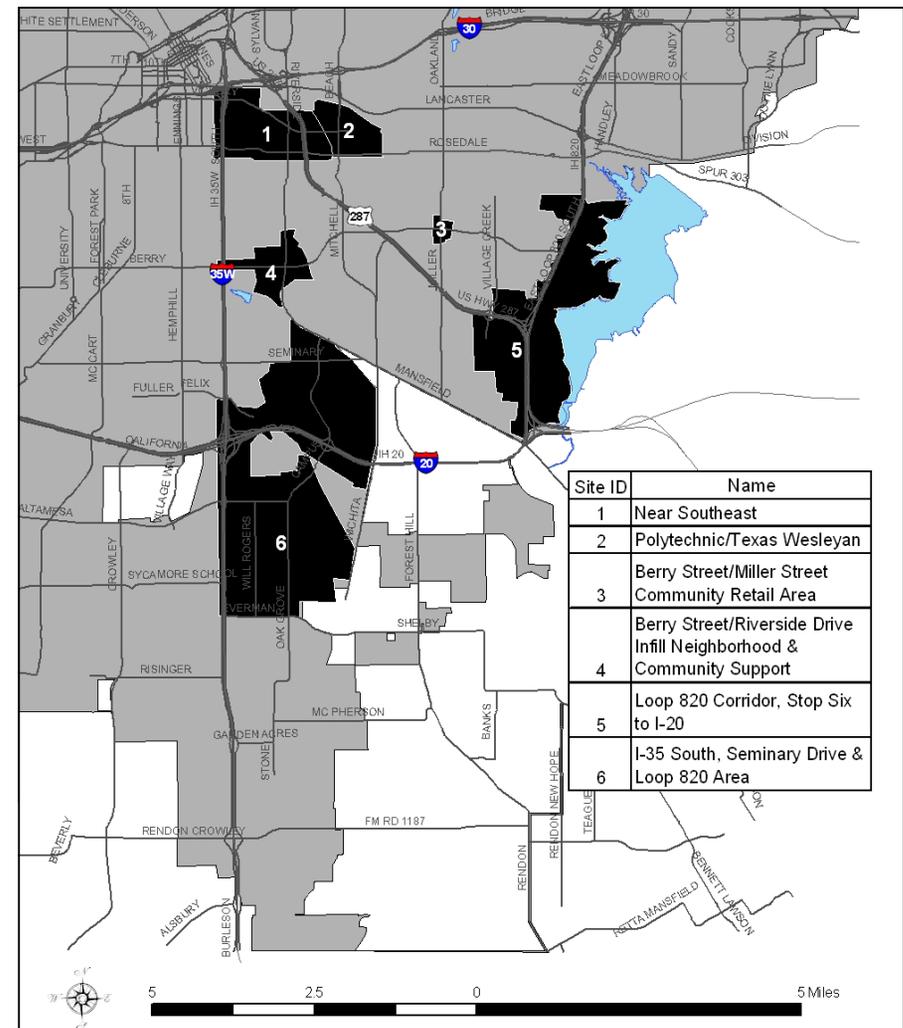
Central City Redevelopment Plans

A number of focused economic development studies and plans have been prepared in recent years to encourage redevelopment within the central city. The Northside Economic Development Strategy report was a joint effort by the City of Fort Worth and the Fort Worth Hispanic Chamber of Commerce to address economic development and revitalization in the Northside area. Eight goals and implementation strategies were developed and intended to stimulate economic development and enhance community vitality in the Northside. The eight goals include: create a non-profit redevelopment corporation to oversee redevelopment activities; develop a cultural and entertainment arts district; create heritage-themed trails and gateways; develop a university campus and regional sports & recreational complex; relocate heavy industrial uses on the historic North Main Street to an appropriate location; create an industrial zone; stabilize older neighborhoods; and develop a transit-oriented development at the Northside/Stockyards station.

Another significant economic development study, the 1999 Southeast Fort Worth Economic Development Action Plan, addressed the following issues:

- Attracting capital for major investment.
- Attracting flex and technology space for enhancing business parks.
- Balancing the housing stock (including an initiative on Lake Arlington).
- Establishing tax or other incentives in the area.

Southeast Fort Worth Areas Targeted for Redevelopment



The 1999 Southeast Fort Worth Economic Development Plan identified six target zones for revitalization. (Source: Southeast Fort Worth Economic Development Plan, 2009.)

- Conducting an updated and detailed retail trade study.

Six target zones for revitalization are identified in the Action Plan and are shown on the map to the right. The Plan also identified the need for a stronger public-private partnership to facilitate the revitalization effort. In 2000, the nonprofit redevelopment organization Southeast Fort Worth, Inc. was established to implement the Action Plan.

Within zone one, the Evans & Rosedale Business and Cultural District is being developed in Near Southeast Fort Worth between I-35W and Evans Avenue in accordance with the community's 2000 Vision Plan. In October 2004, the City Council adopted a master plan for the district, which outlines implementation strategies for the community's Vision Plan. It is intended to celebrate the African-American heritage of Near Southeast Fort Worth through the development of an attractive, economically vibrant, pedestrian-scaled neighborhood center. The District concept includes new residences, retail and other commercial businesses, and a recently constructed plaza that celebrates the rich heritage of the area. Spearheaded by the Near Southeast Community Development Corporation, historic preservation is a major element of the Vision Plan. The City has leveraged approximately \$14.7 million in federal funds to make the community's vision a reality. These funds were used for property acquisition, environmental cleanup, demolition of non-historic and structurally unsound buildings, the reconstruction and streetscaping of Evans Avenue, business development activities, and other efforts. The Shamblee Branch Library, which incorporates the renovated Tommy Tucker Building, opened in 2008. The City is also working to help stimulate investment by relocating components of several City departments to the newly constructed Hazel Harvey Peace Center for Neighborhoods in the Evans and Rosedale Urban Village.

A similar economic development study has been prepared by Woodhaven Community Development, Inc., a nonprofit community development corporation, and the Woodhaven Neighborhood Association. Woodhaven is located in the Eastside sector, northwest of the I-30 and Loop 820 interchange. The goals of the Woodhaven neighborhood redevelopment plan follow:

- Develop vacant, commercially-zoned property and create job opportunities.
- Attract neighborhood-oriented commercial uses.
- Provide a diverse housing stock with an increased percentage of owner-occupied units.
- Increase the amount of open space and number of recreation areas.
- Create a mixed-use district with the characteristics of an urban village, including a concentration of housing and commercial uses, public spaces, pedestrian activity, and access to public transportation. This mix of uses, including a variety of owner- and renter-occupied multifamily units, would be located in buildings with minimal setbacks from the street and reduced parking requirements, achieving the densities necessary to attract private investment and create a strong sense of place.

HUD Economic Development Initiative Grant Project



Before



After

The East Rosedale historic storefronts were an active retail area in the Polytechnic/Wesleyan neighborhood for many years until business relocations and closures during the 1990s resulted in empty storefronts that descended into a state of disrepair and blight. With the help of a HUD Economic Development Initiative (EDI) grant in the amount of \$961,212 the City partnered with private investors and Texas Wesleyan University (TWU) in renovating the dilapidated storefronts. The newly renovated storefronts are being leased to neighborhood serving retail and office uses. Currently, TWU's bookstore is the anchor tenant and a Subway restaurant occupies the space of the old Ashburn Ice Cream parlor. (Sources: Planning and Development Department and Townsite Company, 2011.)

Incentives

The City of Fort Worth encourages and participates in economic development efforts that expand Fort Worth's economy and tax base and increase local employment. The City seeks to provide a positive business environment that allows businesses to grow and prosper while making Fort Worth an attractive place for new businesses to locate. Incentives are focused in targeted redevelopment areas within the central city such as urban villages and neighborhood empowerment zones (NEZs).

The City of Fort Worth analyzes economic development projects on a case-by-case basis and designs incentives to serve as gap financing in order to expand the City's tax base, and retain and create jobs. When the City partners with a private enterprise by providing public incentives, the private entity employs Fort Worth residents and makes significant investments in developing or redeveloping specific sites. In 2000, the City created the South and Southeast Enterprise Zones, and in 2001 established the State's first pilot Neighborhood Empowerment Zone in the Stop Six neighborhood. The creation of these zones, particularly around mixed-use urban villages, allows the City to offer tax incentives and/or waive fees to promote economic development.

Fort Worth has been successful in using incentives and partnership programs with private businesses to help ensure the growth and diversification of the local economy. In Magnolia Village, the City used \$1 million in federal funds to leverage the \$35 million Magnolia Green mixed-use project. Approximately \$961,000 in federal Economic Development Initiative (EDI) funds was used to leverage private investment for use in renovating historic storefronts in the Polytechnic/Wesleyan Urban Village.

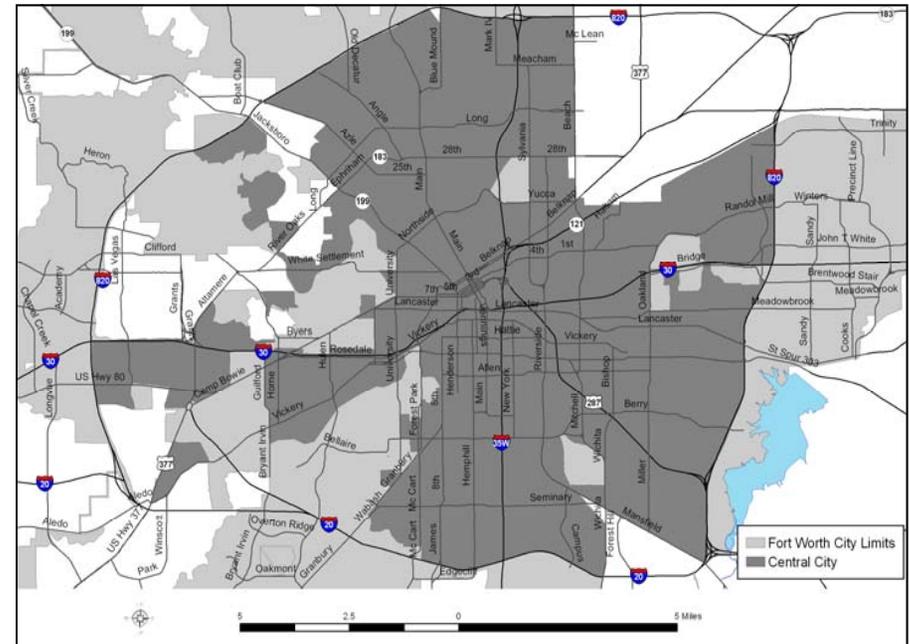
Because redeveloping central city property can be more expensive than building in suburban "greenfield" areas, the City seeks to facilitate central city revitalization by offering multiple choices of incentives that can be used in combination. For example, a project in the Evans & Rosedale Business and Cultural District may take advantage of incentives from the Medical District Tax Increment Finance District and the Evans & Rosedale NEZ. This layering of diverse economic development tools lowers the relative cost of a development project in the central city versus other areas. Please refer to Chapter 23: Financial Incentives for more detailed information on incentives that promote economic development.

GOALS AND OBJECTIVES

The following are the primary economic development goals and objectives of the City of Fort Worth:

- Diversify the economic base and create job opportunities.
- Attract businesses that provide employment opportunities for the unemployed and underemployed, diversify the economy, and offer salaries that will increase Fort Worth's median income.
- Support the expansion of rail transit and associated transit-oriented developments

Fort Worth's Central City



Fort Worth is committed to revitalizing its central city through a comprehensive and coordinated strategy that addresses economic development, housing, historic preservation, infrastructure, parks, cultural programs, human services, and safety initiatives. The central city is defined to include certain low and moderate income areas within Loop 820. (Source: City of Fort Worth, 2009.)

(TOD) as a means to efficiently connect workers and employers.

- Assist existing businesses with issues impacting their growth and development.
- Support international trade and investment opportunities for local businesses.
- Support small business start-up and development through the provision of information and technical assistance.
- Increase the number of clients served each year at the Business Assistance Center.
- Increase the number of loans to central city residents for business start-ups and expansions through the services offered by Alliance Lending Corporation (formerly the Fort Worth Economic Development Corporation) and the William Mann Jr. Community Development Corporation.
- Offer technical and counseling services to existing central city businesses in order to ensure business survival through the Business Assistance Center and local chambers of commerce.
- Revitalize central city neighborhoods and commercial districts.
- Market central city locations to business prospects.
- Encourage new development and redevelopment in the priority commercial corridors by coordinating efforts of redevelopment organizations and committees, incentives, and funding streams.
- Assist Southeast Fort Worth, Inc. and its partners in reaching their goal of creating new jobs in the six economic development zones in Fort Worth's southeast quadrant over the next ten years.

POLICIES AND STRATEGIES

The following policies and strategies will aid economic development in Fort Worth:

Policies

- Use the Neighborhood Empowerment Zone program to promote the development of designated urban villages and other targeted redevelopment areas.
- Attract redevelopment and new development in the corridors linking the major districts of Downtown, the Historic Stockyards, and the Cultural District.
- Use the City's interim land banking policy to expedite redevelopment and reuse of underutilized property and to support the creation of successful transit-oriented developments (TOD).
- Use the siting and co-location of City facilities as a catalyst for redevelopment.
- Strengthen the effectiveness of economic development incentives by including appropriate capital improvement funding in an overall incentive package that would encourage central city redevelopment.

Strategies

Business Development

- Continue the close partnership between the City and the local chambers of commerce in marketing Fort Worth to business prospects.
- Support the growth of small minority- and women-owned businesses by continuing to fund agencies that provide counseling and technical assistance to these businesses.

EDA Grant Funded Projects



Economic Development Administration (EDA) funds are federal funds tied to job creation and business expansion. EDA funds have supported infrastructure improvements in the Stockyards and the Mercado de Fort Worth, the renovation of the Guinn School as the permanent location for the Business Assistance Center and related programs, and street reconstruction for Evans Avenue within the Evans & Rosedale Urban Village. (Sources: Housing and Economic Development Department and Planning and Development Department, 2009.)

- Market available low interest loan programs for business start-ups and expansion in the central city.
- Enhance collaboration between the Business Assistance Center (BAC) and local chambers of commerce in offering technical and mentorship services to central city businesses.
- Recognize the importance of tourism to Fort Worth's economic development, and support programs such as Linkages.

Capital Improvements and Real Estate

- Include capital improvement funding in enhanced incentive packages under Neighborhood Empowerment Zone and State Enterprise Zone programs to further central city redevelopment goals.
- Encourage renovation and reuse of existing commercial structures throughout commercial districts, where feasible.
- Develop and implement targeted revitalization strategies for the City's commercial districts in order to create environments that will attract private investment.
- Use appropriate incentives to promote development of vacant land and redevelopment or reuse of deteriorated properties within designated commercial districts.
- Encourage the use of federal brownfields programs to assist in central city revitalization.
- Support redevelopment, community development, and nonprofit organizations' efforts to spur the revitalization of central city business districts where investment is not occurring but that have redevelopment potential.

Workforce Development

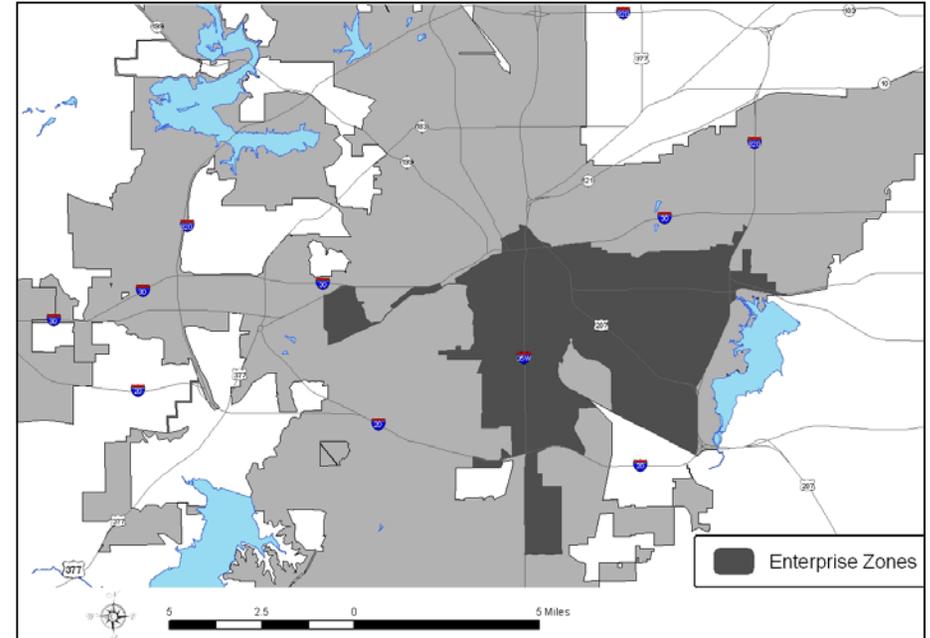
- Encourage local businesses to create paid training programs that provide unemployed residents with skills for high technology jobs and building trades.
- Encourage partnerships between the business community and local chambers of commerce that are designed to strengthen and expand employer coalition groups; increase linkages between business and education to ensure necessary skills are achieved for the future labor force; expand and coordinate customized employer services; provide job fairs; offer assessment and screening for new hires; and help employers identify skill sets.

INCENTIVES AND PROGRAMS

The Housing and Economic Development Department administers the following programs:

- Tax Abatement – A reduction of taxes collected on the increase in value above the value in the year the abatement contract is executed. State law limits abatements to a maximum of 10 years. Abatement is tied to conditions outlined in the abatement agreement, which are based on the criteria in the City's abatement policy, such as amount of capital investment and the number of jobs created. To review the City's incentive policy, please refer to Appendix H.
- Enterprise Zones – This designation is reserved for areas of high unemployment

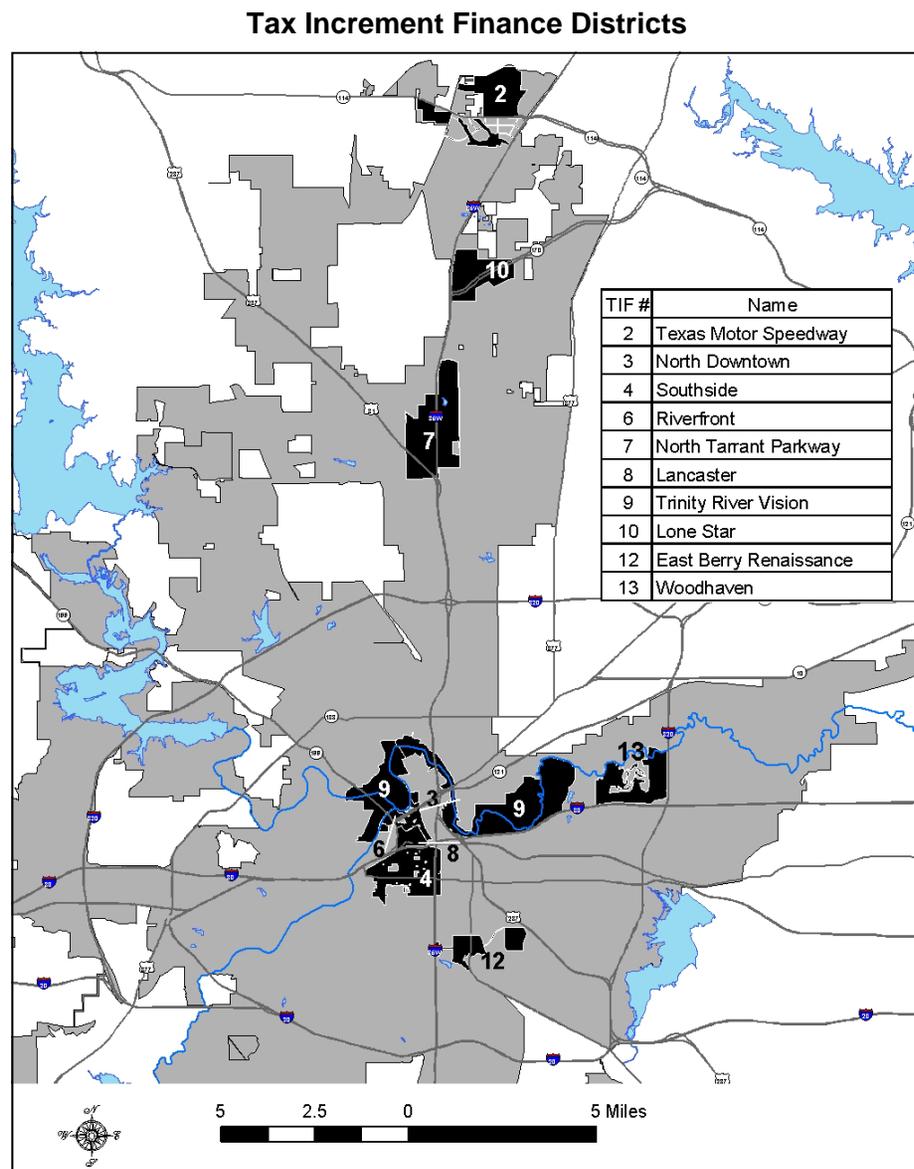
Enterprise Zones



Based on state policy enacted in 2003, census tract block groups with 20 percent or more poverty are considered state enterprise zones. To determine if a property is located in one of the City's Enterprise Zones, please refer to the following website: http://maps.fortworthgov.org/Incentives_Map/. (Sources: Housing and Economic Development Department and Planning and Development Department, 2009.)

and poverty that are targeted for business redevelopment, creation of jobs, and economic revitalization. State policy from the 2003 legislative session declared that any census block group that has a poverty rate of at least 20 percent, as determined by the U.S. Census Bureau during each decennial census, is a state enterprise zone. The census block group will remain an enterprise zone until it no longer qualifies, as a result of a subsequent decennial census. Prior to the new policy, the City of Fort Worth had designated three enterprise zones: the South and Southeast, which expired September 2007, and the North Enterprise Zone that expired in 2004. The state provides direct development incentives for a limited number of qualified businesses nominated as an enterprise zone project. Major financial incentives include refund of state sales and use taxes paid on machinery and equipment, building materials, labor for the rehabilitation of existing buildings, and electricity and natural gas purchased for use at the qualified business site. The refund is based on the level of capital investment and jobs created at the qualified business site. Only six businesses per biennium may be designated as an enterprise project. Refunds are calculated at \$2,500 for each new permanent job created or retained up to \$1,250,000 per year. Enterprise zone incentives provided by the City are varied and based on the needs of individual projects. Incentives for the enterprise zones include reduced development fees and investment requirements for tax abatement.

- Tax Increment Financing (TIF) – A TIF is an identified area designated as a reinvestment zone for a limited number of years in which tax revenues exceeding the base year amount are used primarily for public improvements but can also include services within the zone. TIF districts help fund public improvements which attract investment, create jobs, and diversify our economy. The TIF revenues are spent according to an approved project and financial plan for development of the designated reinvestment zone. Currently, ten TIF districts exist in Fort Worth:
 - ◆ TIF # 2 – Texas Motor Speedway: Created to provide a mechanism for the purchase of the Texas Motor Speedway as a public improvement by the FW Sports Authority, Inc., which is a 4B economic development corporation, and to provide for the development of future public improvements within the District. The TIF became effective January 1, 1996, and is scheduled to terminate on December 31, 2035. The original boundary was 1,200 acres, but in 1999 the TIF was expanded to cover nearly 1,490 acres in order to provide for the construction, renovation, and operation of educational facilities located in the Northwest ISD tract. The TIF devotes \$20 million to the purchase of the Speedway. The City of Fort Worth, Denton County, and the Northwest ISD participate.
 - ◆ TIF # 3 – North Downtown: Replacing TIF #1, this district was created in 1996, and is scheduled to terminate in 2025 or when the goal of the \$50 million of tax increment is met, whichever comes first. The 1993 Downtown Strategic Action Plan called for a TIF to finance such projects as free public parking, a central plaza, parking garages, and special pedestrian and streetscape improvements.
 - ◆ TIF # 4 – Southside District: The district was established November 1997, and is scheduled to terminate in 2022 or when tax increment revenues reach



TIF districts pay for public improvements within their respective boundaries using tax revenues from increases in property values. Currently, the City has eleven TIF districts. (Sources: Housing and Economic Development Department, and Planning and Development Department, 2011.)

\$60 million. The project plan calls for public improvements within the boundaries of the Near Southside neighborhood to implement the Southside District Plan.

- ◆ TIF # 6 – Riverfront: Established in December 2002 to help provide public infrastructure, including a public plaza at the former RadioShack campus. It is scheduled to terminate in 2036.
- ◆ TIF # 7 – North Tarrant Parkway: Established in December 2003 to provide infrastructure improvements associated with the construction of North Tarrant Parkway, including interchange ramps, frontage roads, and a connecting road from Interstate Highway 35W east to Rainey Lake Road. It is scheduled to terminate in 2019.
- ◆ TIF # 8 – Lancaster: Established in December 2003 to help with redevelopment of the Lancaster Corridor in southern downtown and specifically with the redevelopment of the T&P Terminal building into a multifamily residential complex. It is scheduled to terminate in 2024.
- ◆ TIF # 9 – Trinity River Vision: Established in December 2003 to help encourage development and redevelopment along the Trinity River. In 2009 it was extended and expanded. It is scheduled to terminate in 2044.
- ◆ TIF # 10 – Lone Star: Established in June 2004 for the development of public space and infrastructure on and near the site of the Cabela’s—a 200,000 square-foot hunting and outdoor retail facility—in north Fort Worth. It is scheduled to terminate in 2025.
- ◆ TIF # 12 – East Berry Renaissance: Established in July 2006 to fund public infrastructure improvements along the East Berry Street Corridor. New and improved infrastructure will help spur private development and redevelopment along the corridor. It is scheduled to terminate in 2027.
- ◆ TIF # 13 – Woodhaven: Established in November 2007 to fund public infrastructure improvements associated with new development and redevelopment projects. New and improved infrastructure will help spur private development in Woodhaven. It is scheduled to terminate in 2028.

Additional information on the City’s TIF program is located at the following website: <http://www.fortworthgov.org/hed/>.

- Enhanced Community Facility Agreements – Administered in concert with the Planning and Development Department, the City pays a portion of the public infrastructure costs that would otherwise be the developer's expense in order to assist in gap financing resulting from the disproportionately higher cost of providing oversized infrastructure capacity to meet future needs to replace inadequate and aged infrastructure.
- Business Assistance Center (BAC) – Under the City’s Economic Diversification Division, the BAC is a one-stop shop of 10 independent service providers in one convenient location to support the growth and development of small businesses. Located in the renovated historic James E. Guinn School, the Center is a public-private partnership funded by the City of Fort Worth, corporate sponsors and individual donors. Between May 2001 and June 2009, the BAC has helped to

Fort Worth Business Assistance Center



The Fort Worth Business Assistance Center, located at I-35W and Rose-dale Street in the James E. Guinn Complex, is home to 10 independent business service providers. (Source: Fort Worth Business Assistance Center, 2011.)

create 945 new businesses, 9,794 new jobs and retain 1,362 jobs, over \$180 million in small business loans and nearly \$255 million in contracts for clients. The BAC provides a variety of programs through its service providers:

1) Specialized Support:

- Fort Worth Metropolitan Black Chamber of Commerce – Formed in 1979 and located at the BAC, the Metropolitan Black Chamber of Commerce primarily serves the interests of the African-American business and professional community and communicates those interests to business, civic and industrial leaders. Member services include business counseling, M/WBE and Historically Underutilized Business certification assistance, contracting opportunities, financial management, target marketing, tax appraisal, networking opportunities, workshops and seminars.
- Project N.E.W. (Nurturing Entrepreneurial Winners) Beginnings – Formerly known as the ACORN Project, the objective of Project N.E.W. Beginnings is to provide an alternative way to reach the goal of self-reliance through business ownership. Project N.E.W. Beginnings is an initiative of the Business Assistance Center and the BAC Education Foundation.

2) Access to Capital:

- Alliance Lending Corporation – Located at the BAC, Alliance Lending provides financial assistance to small businesses. Its SBA 504 loan program is designed to assist healthy, expending businesses in the acquisition of capital assets such as land, buildings and equipment that has a useful life of 10 years or more. In addition, Alliance Lending administers the existing portfolios of three former small loan programs (Mercado, Revolving Loan Fund, and Micro Loan) that were not recapitalized.
- William Mann Jr. Community Development Corporation (WMCDC) – This multi-bank Community Development Financial Institution was created in 1994 by a consortium of banks and the City of Fort Worth. It provides debt and equity financing for small, minority, and women-owned businesses located in Tarrant County. Loans of up to \$250,000 are available for working capital, inventory, equipment, real estate and business acquisition. The WMCDC is a participating lender in the Texas Capital Access Program and the Texas Mezzanine Fund.

3) Technology and Manufacturing Assistance:

- Tech Fort Worth – This nonprofit business incubator is a collaborative effort of the City of Fort Worth, University of North Texas Health Science Center, Texas Christian University and the business community. Founded in February 1998 it provides office space and industry-specific business assistance to technology start-up companies. The incubator invests time and expertise in emerging companies and entrepreneurs that demonstrate the potential for economic and

Project N.E.W. Beginnings



Recent graduates of the Project N.E.W. (Nurturing Entrepreneurial Winners) program committed to a ten-week course that is designed to educate, motivate, and empower individuals to start their own business. (Source: Fort Worth Business Assistance Center, 2011.)

commercial success. This economic development effort provides a mechanism that facilitates the growth and development of emerging technology companies in Fort Worth. Tech Fort Worth occupies the former gymnasium on the James E. Guinn School campus, which was renovated as a 22,000 square foot office building, providing space for companies participating in the incubator program.

- Business Information Center – Clients have free access to the internet, desktop publishing, business magazines, videotapes, and over 200 Entrepreneur Guides.
- Texas Manufacturing Assistance Center (TMAC) – It’s mission is to increase the global competitiveness of small to mid-size manufacturers by providing support in the appropriate use of technologies and techniques. It works with manufacturers across the Metroplex to assess their operations, identify opportunities for improvement, and develop and implement appropriate solutions.

4) Business Support and Counseling:

- Small Business Development Center (SBDC) – Funded by the U.S. Small Business Administration (SBA) and Tarrant County College, the SBDC provides professional, confidential business counseling to business owners on topics such as management, marketing, and accounting. In addition, counselors explain business planning and SBA loan application preparation.
- Service Corps of Retired Executives (SCORE) – Sponsored by the SBA, the Service Corps of Retired Executives provides professional one-on-one counseling for people considering a business start-up. SCORE volunteers counsel with an emphasis on creating a business plan that can be utilized in day-to-day operations as well as for obtaining financing. A “How to Start a Business” workshop is held monthly.

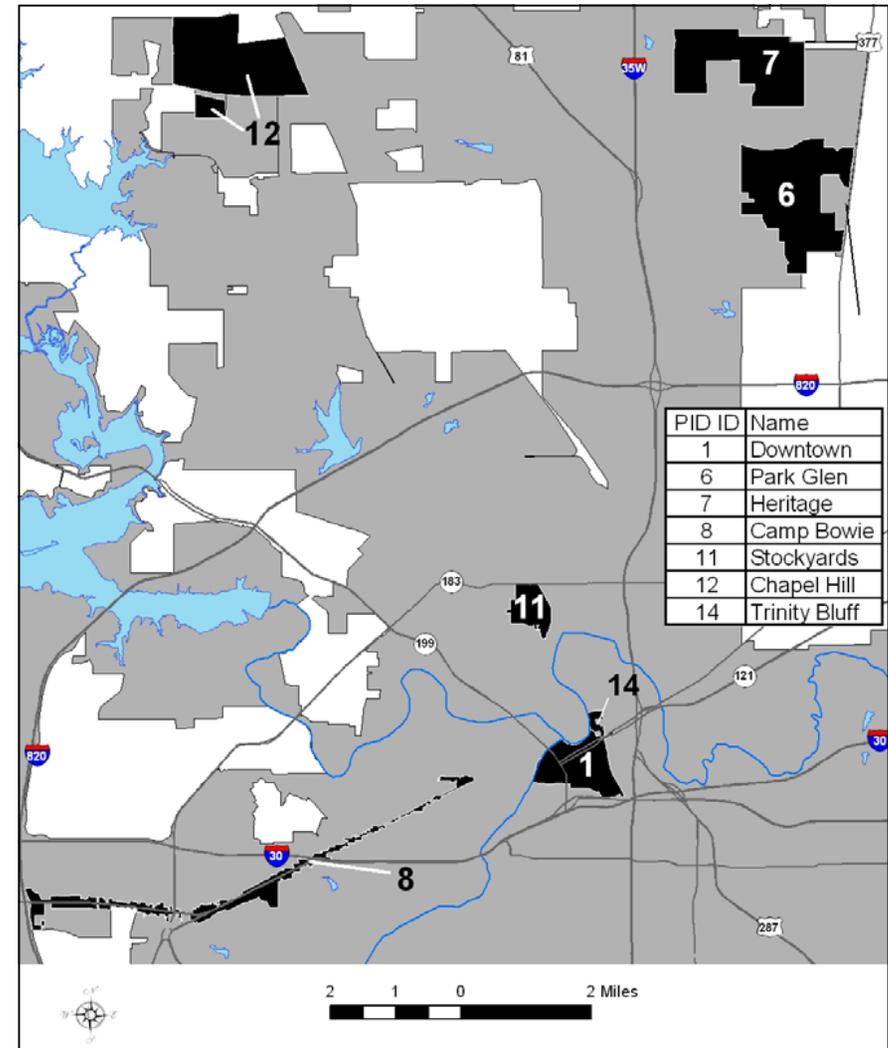
5) International Trade and Foreign Investment Attraction Services:

- Tarrant County College (TCC) International Small Business Development Center (ISBDC) – The TCC ISBDC is funded by the SBA and TCC. It offers free one-on-one counseling and seminars to businesses interested in importing and exporting. In addition, the ISBDC helps develop international business plans, identify foreign markets, conduct market research, and apply for government financing.
- U.S. Department of Commerce Export Assistance Center – Provides export counseling and market research to help North Texas companies expand export opportunities. The office accomplishes its mission using American Embassies and Consulates.

6) Cultural Exchanges and Social Relationships Services:

- Sister Cities International – Cultivates successful relationships and international understanding among the youth, adults and organizations of Fort Worth and its seven sister cities through educational, leadership,

Public Improvement Districts



Public Improvement Districts (PIDs) are created based on a petition from property owners. A PID fee is assessed on properties in the district, in addition to property taxes, to pay for services and improvements over and above regular City services. Currently, the City has seven PIDs. (Source: Housing and Economic Development Department, 2009.)

and exchange programs.

- World Affairs Council of Greater Fort Worth – Conducts lectures and seminars on foreign policy and world affairs. Serves as the official host for the State Department’s International Visitor’s Program for the Fort Worth area.

The City’s Finance Department collects revenues, and by contract, administers the following:

- Hotel/motel sales tax revenue – The City receives nine percent per room per night from those who stay at Fort Worth hotels and motels. This fund is used primarily to support the Convention and Visitors Bureau and the Fort Worth Herd, but it is also used for maintenance and operations of City facilities managed by the Public Events Department. This source of revenue also supports various cultural institutions and programs. The City has also used this revenue for such projects as the rebate of school district property taxes for the redevelopment and conversion of the Blackstone, a historically significant building, into a modern hotel. Two percent is used solely for the Convention Center.
- Public Improvement District (PID) – Based on a petition from property owners, fees are assessed on property in the district, in addition to property taxes, to pay for services and improvements over and above regular City services. Currently, seven PIDs exist in Fort Worth:
 - ◆ PID 1 – Downtown: Established in 1986 as the first PID in Texas. Created to provide enhanced landscaping and maintenance, enhanced security, public events, and marketing for the downtown business owners. This PID was re-established in 2009 for a twenty-year term.
 - ◆ PID 6 – Park Glen: Established in 1998. Created to provide enhanced landscaping, fencing, public events, holiday lighting, security, and park improvements for this predominately residential community.
 - ◆ PID 7 – Heritage: Established in 2000 by Hillwood Development. This residential/commercial mix district is currently in the development stage. Created to provide enhanced landscaping, street signs, entry-ways, security, holiday lighting, and park improvements.
 - ◆ PID 8 – Camp Bowie: Established in 2000. This commercial district was created to provide enhanced marketing, public events, landscaping, security, street banners, and historic street signage. PID 8 was re-established in 2008 for a ten-year term.
 - ◆ PID 11 – Stockyards: Established in 2003. This commercial tourist district was created to provide enhanced signage, website marketing, and public events and maintenance to this Fort Worth attraction.
 - ◆ PID 12 – Chapel Hill: Established in 2004 by Chapel Hill Venture, L.L.P. This residential district is currently in the development stage. Created to provide enhanced landscaping, street signs, entryways, security, holiday lighting and decorations, and park improvements.
 - ◆ PID 14 – Trinity Bluff: Established in 2009. Created to provide enhanced

Fort Worth Sports Authority Texas Motor Speedway



The FW Sports Authority was created in 1997 to oversee the administration and development of the Texas Motor Speedway. With two major NASCAR races, an IRL race and ongoing events throughout the year, Texas Motor Speedway brings 1.25 million visitors to the area annually. The facility generates approximately \$162 million in business for the Fort Worth-Dallas area and currently provides an estimated 6,200 jobs per year. (Sources: Housing and Economic Development Department and Texas Motor Speedway, 2009.)

landscaping and maintenance, including trash removal, and research and marketing to promote the area's residential, office, mixed-use, hospitality and retail uses to various target groups.

The following economic development programs are also administered by the City:

- **Brownfields Economic Redevelopment Program** – the City's Environmental Management Department administers this EPA-funded program directed at the remediation of brownfields, which are idle or abandoned industrial and commercial sites where redevelopment is complicated by real or perceived environmental contamination. If a private developer is redeveloping a brownfields site, the City can potentially assist in securing site-specific assessment funding or a cleanup loan. Please see Chapter 18: Environmental Quality for further information.
- **Local Development Corporation** – An economic development corporation created by City Council and comprised of City Council members and the Mayor. The Corporation acquires tax delinquent property and either leases the land or holds the land until there is an appropriate development proposal.
- **Local Government Corporation** – The City Council is authorized to create a local government corporation pursuant to Chapter 431 of the Transportation Code to undertake any governmental purpose. The City Council created the Lone Star Local Government Corporation to issue tax increment bonds to pay for public improvements in support of the Cabela's development.
- **Minority/Women Business Enterprise (M/WBE)** – A City program created to ensure that minority- and women-owned businesses are afforded maximum opportunities to participate in the City's procurement activities, directly and indirectly. The M/WBE Office identifies M/WBEs that can provide a service or product that the City purchases, encourages their participation in City procurement activities, and monitors ongoing contracts to ensure targeted M/WBE participation is advanced.
- **Neighborhood Empowerment Zone Program** – A Neighborhood Empowerment Zone (NEZ) is an area within a municipality created to promote the development and rehabilitation of affordable housing, increase economic development, and increase the quality of social services, education, or public safety provided to residents of the zone. The City may waive fees related to the construction of buildings within the zone, release City liens, enter into agreements abating municipal property taxes on property in the zone (for a period of not more than 10 years), and set baseline performance standards to encourage the use of alternative building materials that address concerns relating to the environment or to building costs, maintenance, or energy consumption. Mixed-use zoning is a prerequisite to the application of NEZ incentives in urban villages. A map in Chapter 23: Financial Incentives depicts the City's current NEZs.

The following are a selection of the major business advocacy and support organizations operating in Fort Worth:

- **Chambers of Commerce** – Seven chambers (Fort Worth, Fort Worth Metropolitan Black, Hispanic, Asian-American, U.S.-Argentina, American

TCC Opportunity Center



The TCC Opportunity Center, located on Fitzhugh near East Loop 920, offers job training programs to meet the labor needs of area companies.

(Source: Tarrant County College, 2011.)

Indian, and North Texas GLBT) exist in Fort Worth and support the business community through the provision of programs and services. In addition to their regular programs and activities, the Fort Worth Hispanic Chamber of Commerce, the Fort Worth Metropolitan Black Chamber of Commerce, Tarrant County Asian-American Chamber of Commerce, and the American Indian Chamber of Commerce, under contract with the City of Fort Worth, provide outreach and technical assistance to their communities. The Fort Worth Chamber also provides an outreach program, Job Link, which brings all of the work force development service provider organizations together with the business community to match people with jobs. The U.S.-Argentina Chamber of Commerce promotes international trade and develops business opportunities between North Texas and Argentina.

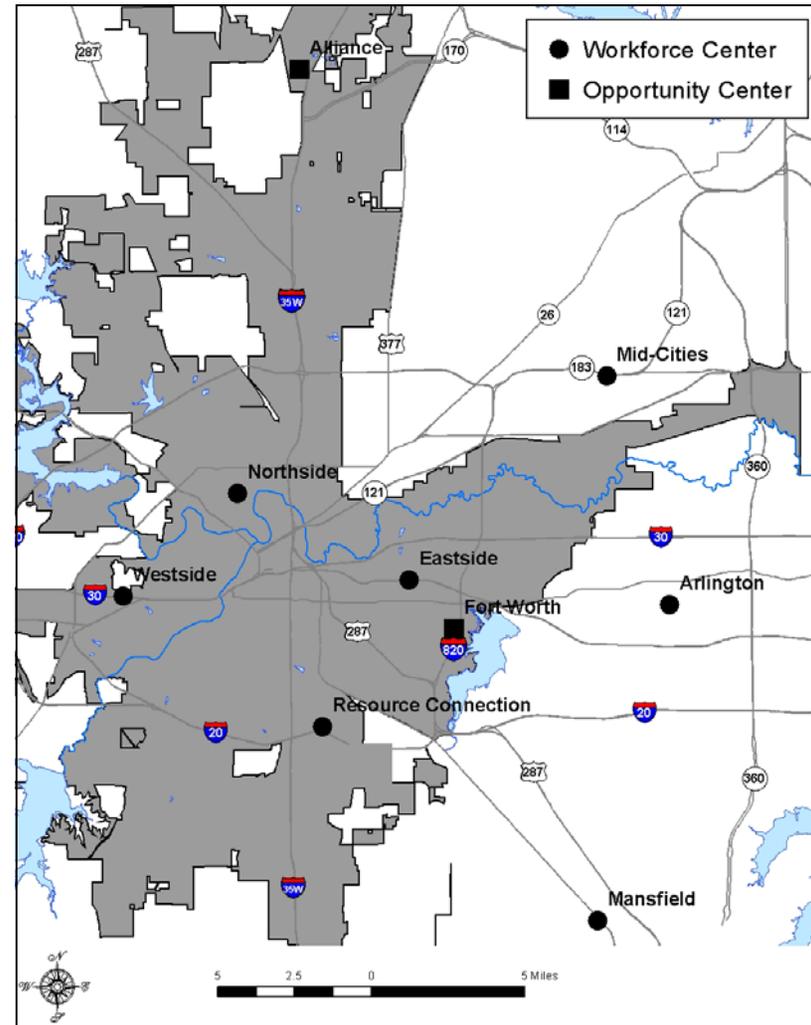
The following are a selection of the major non-City sponsored job training organizations operating in Fort Worth:

- Fort Worth Opportunity Center – Located in Southeast Fort Worth, the center opened in year 2000 as a privately funded, nonprofit training and employment center. Currently, Tarrant County College operates the facility under its Corporate Services Division, which offers customized service to companies in workforce training and to individuals seeking office training.
- Workforce Solutions for Tarrant County – A number of workforce development services have been combined at eight one-stop workforce centers throughout Fort Worth and Tarrant County. The centers provide a full range of employment services to all job seekers and employers. These centers also provide job recruitment, eligibility determination, assessment, and case management, job training, and placement services for program clients.

Capital Improvement Projects

A list of the projects, estimated costs, completion dates, and potential funding sources are included in Appendix D and Appendix E.

Fort Worth Workforce Centers and Opportunity Centers



The Alliance Opportunity Center in Far North Fort Worth offers job training and placement services for Alliance. The partners of the center include Tarrant County Workforce Development Board, Hillwood Development Corporation, Tarrant County College, and the Fort Worth Chamber of Commerce. In April 2000, the Fort Worth Opportunity Center opened in Southeast Fort Worth to offer workforce training. Currently the Fort Worth Opportunity Center is operated by Tarrant County College. (Source: City of Fort Worth, Workforce Solutions of Tarrant County, and Tarrant County College, 2011.)