

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 in the City of Fort Worth
- Owner/developer must not have been subject to a Building Standards Commission's Order of Demolition where the property was demolished within the last five years
- Rehabilitation projects must equal 30% of the TAD appraised value of the improvements
- New construction or rehabilitation projects must be a habitable structure requiring a permanent foundation. This excludes accessory structures such as sheds, incidental out buildings and detached garages

Incentives Available in a NEZ

Municipal Property Tax Abatement

The following properties/development projects **may** qualify for municipal property tax abatement if approved by City Council:

- Owner-occupied single family property
- Single family development project to be owner occupied
- 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
- 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

Fees Not Waived:

- If a permit or application is expired, the fee to reactivate, renew or reapply shall not be waived. In addition, penalties and extension fees or re-permitting fees will not be waived
- Fire inspection and permit fees will not be waived
- Fees for special services, such as simultaneous plan and plat review or expedited plan review will not be waived
- Infrastructure Plan Review Center fees will not be waived
- Park Fees (PPD Fees) will not be waived
- Development Fees not specifically listed in the NEZ policy and the project certification letter will not be waived or reduced
- Water and Waste Water Impact Fees and Tap Fees

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 **complete** online application packet. The certification process includes checking taxes and liens, completing the Public Notification requirement and checking plans to be sure the project meets design guidelines
- There is a \$25.00 non refundable application fee to apply for NEZ incentives which is collected after initial review of the application
- All requests for tax abatement are processed **after** NEZ project certification and must go before the City Council for a vote. House Bill 3143 took effect on September 1, 2019, which requires at least 30 days advance notice be given of the tax abatement. Due to compliance with HB 3143, the **minimum time** to process a tax abatement to be on the City Council agenda for vote is 12 to 14 weeks after the date of certification. Applicants requesting tax abatement may not submit for a building permit until the abatement has been approved by the City Council and the applicant has signed a contract. If an applicant submits for a building permit, the abatement request will be denied
- 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.

Design Guidelines

All applications for NEZ incentives must meet the following design requirements for certification.

- No metal buildings except for industrial projects.
- All new construction projects must contain 70% masonry product.
- Exceptions to the masonry product will be made for approved plans within all Local Historic Districts and the following Urban Design Districts: Near Southside, Camp Bowie and Stockyards
- **Applicants must provide a Certificate of Appropriateness and supporting documentation for the project with their completed NEZ application ***
- Compliance with design guidelines for Council adopted NEZ Strategic Plans is required for certification.
- Attached garages for new single family homes may not extend more than 4 feet past the front building wall.

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 any NEZ incentives.

- Sexually Oriented Businesses
- Non-residential mobile structures
- Stand alone bars (Bars as part of a mixed-use project may apply for NEZ incentives)
- Single family investor owned projects/rental properties
- Package stores or liquor stores
- Projects to be constructed on property purchased or to be purchased under contract for deed.

NEZ Application Submittal Checklist

This checklist must be initialed and attached to the NEZ application at time of submittal

NEZ Area (Please circle one) 1 2 3 4 5 6

Strategic Plan Area (if applicable) _____

The above items can be located at <http://oneaddress.fortworthtexas.gov/>

Note to Applicant:

Please be advised that all New Construction must adhere to the NEZ Design Guidelines per the NEZ policy. Some addresses may also be located within a Strategic Plan Area. Those areas have additional design requirements. For more information on Design Guidelines and Strategic Plans, please visit [Neighborhood Empowerment Zones \(NEZ\) – Welcome to the City of Fort Worth \(fortworthtexas.gov\)](http://www.fortworthtexas.gov/neighborhoodempowermentzones)

Applicant
Initials

Completed and signed application

*If the property is owned by a business entity or corporation, corporation papers or operating agreement noting ALL principles, partners and registered agents is required *

\$25.00 application fee (Non-refundable) *This will not be paid at the time of submittal. Staff will contact you to pay after initial review*

Proof of ownership 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 Tax Abatement.

Line Itemized construction budget for all projects *If you are doing work to your **single-family** home yourself, you may use the attached budget form. *If you are a contractor or you are hiring a contractor/contractors, construction manager or any other type of professional for your project, **you must provide the line item budget or estimate from them.**

Plans showing dimensions and square footage of the following:

- Site plan with structure or proposed structure
- Floor plans for each floor with square footage listed (existing and proposed if different)
- Elevations listing materials to be used. (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**

List of Properties in Tarrant County (By address) owned by all owners/developers

If no additional properties are owned within the Tarrant County, please check here



Incomplete applications will not be processed until all required documentation is received.

For more information about the NEZ Program, please contact the City of Fort Worth Neighborhood Services at (817)392-7540 or by visiting [Neighborhood Empowerment Zones \(NEZ\) – Welcome to the City of Fort Worth \(fortworthtexas.gov\)](http://www.fortworthtexas.gov/neighborhoodempowermentzones)

For more information about Tax Abatements, please call Sarah Odle at 817-392-7316



Application# _____

City of Fort Worth Neighborhood Empowerment Zone (NEZ) Application for Incentives

Applicant Information

**Deeded Property
Owner/Developer**

Last First M.I.

Mailing Address:

Street Address City State Zip

Phone: _____ **Email:** _____

Contact:

(If different)

Last First M.I.

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) or is located in the Near Southside, Camp Bowie or Stockyards Urban Design District, approval of your project is required prior to NEZ application submittal. An approved Certificate of Appropriateness and supporting documentation for the project must be attached to the NEZ application.

Project Address:

Street Address

Legal Description:

Lot Block Addition

New Construction / Addition: YES NO **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/> for additional information. **Tax Abatements are processed after NEZ project certification and must go before the City Council for a vote. House Bill 3143 took effect on September 1, 2019, which requires at least 30 days advance notice be given of the tax abatement. Due to compliance with HB 3143, the minimum time to process a tax abatement to be on the City Council agenda for vote is 12 to 14 weeks after the date of certification. Applicants requesting tax abatement may not submit for a building permit until the abatement has been approved by the City Council and the applicant has signed a contract.**



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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.

For Zoning Office Use Only Do Not Check!

Will a Zoning Change application be necessary for this project?

YES NO

Current Zoning: _____

Proposed Use: _____

Does project meet applicable zoning parking requirements?

YES NO

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. If I have misrepresented the facts in order to circumvent the NEZ policy, I hereby understand that I will be responsible for repaying the City of Fort Worth **all** fees and taxes waived through my NEZ certification and **I will no longer be eligible to apply for any NEZ incentives in the future. In addition, fees not repaid will result in a lien being placed on the property.**

_____ 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 back taxes due or liens against any property I own under any name in Tarrant County, I will 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 on property zoned for industrial use.
- b. All new construction projects must contain 70% masonry product
- c. Exceptions to the masonry product requirement will be made for approved plans within all Local Historic Districts and the Near Southside, Camp Bowie and Stockyards Urban Design Districts. Applicants must provide a Certificate of Appropriateness and Supporting documentation for the project with their completed NEZ application. This exemption applies only to the masonry product requirement. All other design guidelines will not be waived.
- 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.



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_____ I understand that if I have not submitted a NEZ application and do not have NEZ certification, I must pay all associated fees at the time of project application and/or permit submittal. 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.

_____ I understand that if I have submitted an opt out form and have had a building permit issued, I am not eligible to apply for any incentives from the NEZ program.

**Printed Name of Property
Owner/Developer**

**Signature of Property
Owner/Developer**

Date

Please submit your completed application online to:
<http://fortworthtexas.gov/neighborhoods/NEZ/apply>

For more information on the NEZ Program Incentives, please visit our web site at <http://fortworthtexas.gov/neighborhoods/NEZ/> or contact our office at (817) 392-7540 or nez_NS@fortworthtexas.gov

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



NEZ Construction Budget

For Single-Family self-constructed projects Only

(All other projects must provide a contractors quote or commercial project line item budget)

Project address: _____

Eligible rehabilitation or new construction costs include only physical improvements to real property. Real Property Improvements—means a habitable structure as defined by the City of Fort Worth Building Code. It does **NOT** include: personal property such as furniture, appliances, equipment, and/or supplies. Carports, fences, parking lots, accessory structures such as sheds, incidental out buildings and garages are only eligible if included in the original new construction project. These items do not qualify as stand alone projects.

Budget costs must reflect current building and material prices. Budgets that reflect prices that are too low will be rejected.

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

I, _____, hereby certify that the above estimate of costs for the proposed self constructed re-habilitation or new construction of my single-family project on property located at : _____ is true and correct. I also attest that if I hire professional contractors at any time during construction, I will provide a copy of the contractors estimate to update this budget.

Date
Owner Signature



NEZ Property Ownership List

Please list all properties owned in Tarrant County by the owner/developer

Address:
Address:
Address:
Address:
Address:
Address:
Address:
Address:
Address:

(PRINTED OR TYPED NAME)

(AUTHORIZED SIGNATURE)

(DATE)