



FY27

Reinstate Home Improvement Rebate Program

Finance Committee
July 15, 2026

Background

❑ Staff is bringing this item forward for discussion at the request of a Councilmember. In April 2022, City Council approved a resolution authorizing a Home Improvement Rebate Program in accordance with Texas Local Government Code **Chapter 380 related** to housing improvements financial incentives in the amount not to exceed **\$25,000 for the General Fund.**

Purpose of the Rebate Program

- Encourage reinvestment in residential neighborhoods
- Positively affect the value of the City's housing stock
- Lowering the financial burden for property owners to make improvements to their homes
- Demonstrate strong commitment by the City to reinvest in mature residential neighborhoods.

Age of Housing Stock		
Year Built	Numbers of Houses	Percentage
Before 1939	64	0.36%
1940 to 1949	68	0.39%
1950 to 1959	365	2.08%
1960 to 1969	1,129	6.43%
1970 to 1979	2,378	13.52%
1980 to 1989	1,599	9.09%
5,238 Houses over 30 years old or 31% of Households (Source: Burleson GIS)		

* Over 5,238 homes or 25 % of the City of Burleson's housing stock is over 30 years old

What this program **IS**

- ☐ Neighborhood revitalization
- ☐ Beautification program
- ☐ Promotion of the redevelopment of existing housing stock
- ☐ Quality housing stock
- ☐ Encourage relocation of businesses
- ☐ Assist property owners with home upgrades
- ☐ Encourage reinvestment in neighborhoods



What this program is **NOT**

- ☐ Low-income assistance program
- ☐ Substandard housing program
- ☐ Volunteer assistance program
- ☐ HOPE - Homeowners Outreach for Positive Outcome
- ☐ Burleson Volunteer assistance program
- ☐ Tarrant County HOMEprogram

Previous program-eligible properties

- ☐ Single family homes, duplexes townhouses and condominiums
- ☐ Structure must be 25 years old or older
- ☐ Current on taxes and insurance
- ☐ Owner – occupied only
- ☐ The County Appraisal District (CAD) appraised total value of the property must be less than or equal to 70% of the FHA single- family mortgage limit of the county for the current year.
 - ❖ Johnson County and Tarrant County – Current FHA Loan Limit \$563,500- 70% = \$394,450

Previous program-eligible improvements

- ☐ Expenditures on the property must total **10%** or more of the CAD value of the property.
 - ❖ EXAMPLE: \$230,000 = \$23,000 in improvements to qualify for rebate
- ☐ Both interior and exterior improvements qualify, including tree replacement (city approved) and the correction of nuisance abatement issues, such as pool decommissioning.
- ☐ What is NOT approved:
 - New pools, hot tubs spas and water features
 - Any landscaping(with exception of tree replacement)
 - Detached accessory structures
 - Garage enclosures and carports
 - Items covered by HOA for Condo units.
- ☐ Improvements must result in livable unit

Previous program- rebate breakdown

- ❑ **\$5,000 Maximum per property relative to project**
- ❑ **25% rebate on exterior improvements**
- ❑ **10% rebate on interior of improvements**
- ❑ **Phase reimbursements on case-by-case basis depend on the request of applicant**

Example REBATE Project

- ❑ **\$178,322 valued home**
 - ❖ minimum remodel would be \$17,832
- ❑ **\$20,000 Remodel**
- ❑ **\$15,000 work on exterior**
 - ❖ 25% equal \$3,750 rebate
- ❑ **\$5,000 work on interior**
 - ❖ 10% equal \$500 rebate

TOTAL REBATE = \$4,250

Proposed REBATE PROGRAM ENAHANCEMENTS

PROPOSED CHANGES

1. Allow any occupancy and ownership to qualify – Rental properties
 - ❖ Old criteria: Owner occupied - only
2. No Expenditure requirement for improvements on the property
 - ❖ Original program required 10% more of CAD Value
3. Decrease General Fund maximum rebate from \$5,000 to \$2,500
 - ❖ By lowering the maximum award amount, available funds can be distributed more broadly throughout the community, increasing participation and expanding the program's neighborhood impact.
4. Establish Water Fund maximum rebate of \$5,000 with 50% match for eligible projects
 - ❖ Maximizes private investment and promotes proactive infrastructure replacement
5. Total maximum rebate per project is \$7,500



Considerations

❑ Utilization of Water fund Resources on Private Property

- ❖ Water and wastewater utilities are generally operated as enterprise funds, which means revenues generated from utility rates and fees must be used exclusively for purposes that support the operation, maintenance, repair, replacement, expansion, and long-term financial sustainability of the water and wastewater systems.
- ❖ Must clearly define the project scope and demonstrate a direct connection to the utility system's operation, reliability, regulatory compliance, asset protection, or infrastructure improvement. Projects should provide a measurable benefit to the water or wastewater utility and be consistent with enterprise fund requirements and applicable state laws.
 - To ensure compliance with enterprise fund guidelines, each proposed project should include:
 - ✓ A clearly defined utility-related purpose.
 - ✓ Documentation demonstrating the public utility benefit.
 - ✓ Eligibility criteria applied consistently to all participants.
 - ✓ Appropriate oversight and tracking of expenditures.
 - ✓ Confirmation that the expenditure serves a utility function rather than a general private property improvement.

Considerations cont..

Utilizing of Water Fund Resources on Private property

- ❑ **Establishing clear project criteria and documenting the utility benefit will help ensure Water Fund expenditures remain consistent with enterprise fund principles while supporting community infrastructure improvements.**

- ❖ **Examples of eligible project scopes may include:**
 - Replacement of deteriorated private water and sewer service lines that contribute to inflow and infiltration into the public wastewater system.
 - Correction of cross-connections or other conditions that pose a risk to public water quality.
 - Improvements necessary to protect utility infrastructure, maintain system integrity, or ensure regulatory compliance.
 - Projects that reduce system maintenance costs, improve operational efficiency, or extend the useful life of utility assets.

Consider REINSTATEMENT of REBATE PROGRAM



FY 27 BUDGET ACTIONS



- ❑ Approve a **\$25,000 General Fund** supplemental request to continue funding Home Improvement Rebate Program projects.
 - ❖ **25% rebate on exterior improvements**
 - ❖ **10% rebate on interior improvements**
 - ❖ **Maximum of \$2,500 rebate limit per project**

- ❑ Approve a **\$25,000 Water Fund** supplemental request to support residential home improvement projects related to water and wastewater infrastructure enhancements, including but not limited to the replacement of deteriorated cast iron water/sewer service lines, irrigation water conservation efforts and other qualifying utility-related improvements.
 - ❖ **\$5,000 rebate limit per project with 50% match**
 - ❖ **Maximum of \$7,500 rebate limit per project**

Next Steps

- ☐ Council approval of the relevant supplemental requests in the FY 2027 budget
- ☐ Council approval of resolution for the Home Improvement Rebate Program
- ☐ Council approval of a 380 Agreement in accordance with the Local Government Code

Questions/Comments

Completed REBATE Projects



Project Date	Year Built	House Value	Improvement Project Estimate	Rebate Amount
09/20/2022	1981	\$162,260	\$3,439	\$860
11/06/2023	1981	\$225,064	\$20,664	\$5,000
11/07/2023	1966	\$177,614	\$17,875	\$4,469
11/16/2023	1905	\$143,953	\$11,160	\$2,790
11/16/2023	1981	\$161,720	\$14,300	\$3,575
02/06/2024	1905	\$143,953	\$1,810	\$181
03/14/2024	1975	\$177,113	\$13,258	\$3,315
03/15/2024	1992	\$299,100	\$15,114	\$3,779
03/22/2024	1981	\$161,720	\$7,892	\$1,425
10/01/2024	1980	\$176,715	\$13,000	\$3,250
10/14/2024	1905	\$143,953	\$4,200	\$1,050
10/28/2025	1915	\$101,633	\$2,150	\$538
11/05/2024	1991	\$264,674	\$13,874	\$1,387
11/18/2024	1964	\$195,846	\$26,880	\$5,000
02/14/2025	1976	\$207,537	\$48,000	\$5,000
03/30/2025	1920	\$111,941	\$58,866	\$5,000
			\$272,482	\$46,619