

Council Policy and Valuation Committee

DEPARTMENT: Development Services

FROM: Tony D. McIlwain, Development Services Director

MEETING: April 23, 2025

SUBJECT:

Receive a report, hold a discussion and make possible recommendations regarding a neighborhood empowerment zone (NEZ) program, criteria and incentives. (*Staff Contact: Tony McIlwain, AICP, CFM, Development Services Director*)

SUMMARY:

Chapter 378 of the Texas Local Government Code authorizes a municipality to create a neighborhood empowerment zone (NEZ) for the purpose of:

- 1. The creation of affordable housing, including manufactured housing, in the zone;
- 2. An increase in economic development in the zone;
- 3. An increase in the quality of social services, education, or public safety provided to resident of the zone; and
- 4. The rehabilitation of affordable housing in the zone.

Staff has narrowed the target area to the Hillary-Montclair communities. The presentation details NEZ improvement criteria and incentives from other Texas cities, as well as a comparison against the city's existing BTX Home Improvement Rebate Program.

RECOMMENDATION:

Staff recommends that the Committee provide further direction on possible incentives.

PRIOR ACTION/INPUT (Council, Boards, Citizens):

August 21, 2024: Staff provided a briefing to the Committee on NEZs and possible target areas.

REFERENCE: N/A

FISCAL IMPACT: None

Proposed Expenditure/Revenue: n/a Account Number(s): Fund: Account Description:

STAFF CONTACT:

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