



Neighborhood Empowerment Zone (NEZ)

JUNE 15, 2026

What is a Neighborhood Empowerment Zone (NEZ)

- A Neighborhood Empowerment Zone (NEZ) is a designated area that receives targeted incentives.
- The purpose of these incentives is to:
 - encourage new development and the revitalization of existing commercial and residential properties;
 - increase economic development; and
 - improve the quality of social services, education, and/or public safety provided to the residents of the NEZ
- City Council directed staff to establish a NEZ policy and identify a target area for a zone.

NEZ POLICY GOALS AND DURATION

- In February, the City of Burleson adopted a NEZ Incentive Policy, with the goal of promoting the rehabilitation of single-family homes, multi-family housing, commercial properties, and economic development in the Neighborhood Empowerment Zone (NEZ).
- Policy establishes a NEZ length of ten (10) years. Upon the end of the ten (10) years, the life of the NEZ can be extended with approval from the City Council.

BUILDING & DEVELOPMENT INCENTIVES

- Building Permit fees
- Demolition fees
- Electrical Permit fees
- Irrigation Permit fees
- Mechanical Permit fees
- Plan Review fees

- Plat Application fees
- Plumbing Permit fees
- Sign Permit fees
- Zoning Application fees
- Priority Plan Review and Permitting
- *Note: impact fees are not eligible for waivers*

LIEN RELEASE INCENTIVE

- Affords property owners a release of liens attached to properties as a result of demolitions or expenditures associated with cutting high grass and/or nuisance abatements.
- Release of liens would only be allowed in conjunction with new construction, or renovation of eligible facilities, within the target area.
- City staff will discuss the lien amount, lien release process, the scope of the project, and determine your eligibility.

ELIGIBILITY CRITERIA

- Property must be located within active NEZ.
 - Owner must submit a completed NEZ application to the city before any eligible improvements are made to the property.
 - Owner must not be delinquent in paying property taxes for any property they own within the city.
 - Owner must not have any active liens filed against any city property owned by them outside of the NEZ.
 - Owner must perform *new construction* or *eligible rehabilitation* on the property equal to a minimum 20% of the *base value* of the property.
 - Property is in conformance with applicable city zoning, urban design standards, and landscaping requirements.
- “*Base value*” is the value of the real property, excluding land, as determined by the Johnson County or Tarrant County Appraisal Districts, as of January 1, prior to the effective date of the incentive agreement.
 - “*Eligible rehabilitation*” includes only physical improvements to real property (furniture, appliances, equipment, and/or supplies is not eligible).
 - “*New construction*” is a newly constructed improvement requiring a permanent foundation. This excludes accessory structures such as sheds and incidental out-buildings.

HILLERY HEIGHTS-MONTCLAIR ADDITION COMMUNITY

- The Hillery Heights-Montclair Addition community was identified as a target area for a NEZ designation to aid with the rehabilitation of residential structures.

- Below are some factors on this target area:
 - Limited to residential uses only
 - Approximately 500 residential lots
 - Some structures over 60 years old
 - Average 2024 property appraisal valuation of \$218,787

Public Meeting

- Staff conducted a public meeting regarding the Neighborhood Empowerment Zone on May 7th. The meeting took place in Council Chambers.
- Staff provided notification of the meeting to all property owners within the Hillery Heights-Montclair Addition target area. Notification was made via direct mail.

Public Meeting

Twenty-one residents attended the May 7th public meeting. Residents expressed the following comments regarding the proposed NEZ:

- Why are you picking our neighborhood?
- Will this be applicable to rental property/investors?
- Did the city consider other incentives like underground utilities?
- When will this be implemented?

- Did we consider changing street signs to designate historical / mature area?
- Is there a cost to participate?
- This is gentrification; an improved housing stock raises taxes to benefit city
- The 20% new construction or eligible rehabilitation criteria is too high.

CERTIFICATIONS AND DENIED APPLICATIONS

- Staff will certify the property owner's eligibility to receive incentives based on the criteria set forth in this policy.
- NEZ certifications are owner and address specific. Minor modifications to an existing certification may be made with correct documentation. New or additional projects at the same address or in the same development will require a new application for project certification.
- If City Council changes NEZ boundaries or terminates a NEZ area, certified projects will maintain eligibility for three (3) years from the original certification date. The certification date will not be modified or extended.
- Appeals for denied applications will be presented to City Council for consideration.

Recommendation

- Following the public hearing, staff recommends approval of the NEZ resolution.
- The resolution includes a finding that the creation of the zone benefits and is for the public purpose of increasing the public health, safety, and welfare of the persons in the municipality; and a finding by the governing body that the creation of the zone satisfies the requirements of Section 312.202, Tax Code.