

City of Burleson Neighborhood Empowerment Zone (NEZ) Policy

I. GENERAL PURPOSE & PROGRAM GOALS

Chapter 378 of the Texas Local Government Code allows a municipality to create a Neighborhood Empowerment Zone (NEZ) when a "...municipality determines that the creation of the zone would promote:

- The creation or rehabilitation of affordable housing, including manufactured housing, in the zone;
- An increase in economic development;
- Improving the quality of social services, education, and/or public safety provided to the residents of the NEZ

The City of Burleson, by adopting the NEZ Policy, will promote rehabilitation of single-family homes, multi-family housing, commercial properties, and economic development in the Neighborhood Empowerment Zone (NEZ). The City Council may approve additional terms and incentives as permitted by Chapter 378 of the Texas Local Government Code or by City Council resolution.

The life of the NEZ shall be a 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.

II. INCENTIVES

For NEZ applicants, the following fee waivers, including, but not limited to, are reviewed and may be granted on a case-by-case basis. Please note, impact fees are not eligible for waivers.

1. Building Permit fees
2. Demolition fees
3. Electrical Permit fees
4. Irrigation Permit fees
5. Mechanical Permit fees
6. Plan Review fees
7. Plat Application fees
8. Plumbing Permit fees
9. Sign Permit fees
10. Zoning Application fees

Lien Release

In order to render properties in the Neighborhood Empowerment Zone more marketable, the lien release 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. The release of such liens would only be allowed in conjunction with new construction or renovation of eligible facilities within the target area where the proposed improvement amount will be greater than the lien amount plus interest.

To apply for the Lien Release Program a meeting with city staff will be required to discuss the lien release process, scope of the project, and determine eligibility, after which time staff will provide the lien amount and approximate interest that shall be incurred depending on project completion date.

III. ELIGIBILITY CRITERIA

1. The property must be located within active NEZ.
2. The property owner must submit a completed NEZ application to the city before any eligible improvements are made to the property.
3. The property owner must not be delinquent in paying property taxes for any property they own within the city.
4. The property owner must not have any active liens filed against any city property owned by them outside of the NEZ. “Liens” includes but is not limited to: weed liens, nuisance abatement liens, demolition liens, and board-up/open structure liens.
5. The property owner must perform *new construction* or *eligible rehabilitation* on the property equal to a minimum **20%** of the *base value* of the property.
6. The property is in conformance with applicable city zoning, urban design standards, and landscaping requirements. Any property owner seeking a variance or waiver to any city development standard must secure said variance or waiver approval prior to submission of a NEZ application.

For purposes of this section, “*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.

For purposes of this section, “*eligible rehabilitation*” includes only physical improvements to real property. Eligible Rehabilitation does NOT include personal property (such as furniture, appliances, equipment, and/or supplies).

For purposes of this section, “*new construction*” is a newly constructed improvement requiring a permanent foundation. This excludes accessory structures such as sheds and incidental out buildings.

IV. CERTIFICATIONS FOR APPLICATIONS

Once the Department determines that the application is complete, staff will certify the property owner’s eligibility to receive incentives based on the criteria set forth in this policy. Ineligible applications will be denied.

All 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.

In the event that City Council changes the 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.

V. DENIED APPLICATIONS

Appeals for denied applications will be presented to the Burleson City Council.