



Neighborhood Empowerment Zone

Background

Chapter 378 of the Texas Local Government Code authorizes municipalities to create Neighborhood Empowerment Zones (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 City of Commerce City Council created the NEZ program, effective October 1, 2019, to encourage redevelopment activities in the northeastern portion of the city.

Eligibility to Apply

- The property/project must be located within the NEZ.
- Owner/developer must submit a completed NEZ application to the City prior to construction.
- Owner/developer must not be delinquent in paying property taxes for any property owned by them.
- Owner/developer must not have any active City liens filed against any property owned by them outside of the NEZ.

Incentives Available in the NEZ

Municipal Property Tax Abatement

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

- Owner-occupied single-family property
- Investor-owned single-family property
- Single-family development project
- Multi-family development project
- Mixed-Use development project

Fee Waivers

The following fees may be waived for approved NEZ projects:

- All building permit fees (excluding plan review and inspection fees)
- Board of Adjustment application fee
- Demolition Fee
- Zoning application fee

- Utility tap fee

Release of City Liens

The following City liens may be released for approved NEZ projects:

- High grass & weeds lien
- Demolition liens

Timeline

- The approval process for an application can take approximately 14 to 21 business days from the receipt of a completed application. This process includes checking taxes and liens and completing any required Public Notices.
- All requests for tax abatements will be processed after project approval and must go before City Council for a vote. This process may take several weeks to complete.

Choosing Not to Participate

If you do not wish to apply for NEZ incentives, owners/developers may complete and submit an Opt Out Form.

Ineligible Projects

The following Projects or Businesses are not eligible for NEZ incentives.

- Sexually oriented businesses
- Non-residential mobile structures

Requirements in the NEZ

- All newly constructed residential buildings and structures shall be of standard masonry construction having at least 80 percent of the total exterior walls above grade level, excluding doors, windows, and any gabled roof ends. Such materials shall be brick, stone, cementitious composition fiberboard, stucco, glass block, or materials of equal characteristics. Hollow clay tile, or exposed lightweight block such as cinder block shall not be considered masonry construction.
- Improved surface means a driveway, parking space, or area constructed on private property with concrete, and which is intended to be used for the parking or storing of vehicles. An improved surface shall mean a single, continuous slab of Portland cement concrete poured to a depth of not less than four inches, with a minimum of 3,000 psi compressive strength, reinforced with No. 3 reinforcing bar at 18 inches on center, each way.



Neighborhood Empowerment Zone
City of Commerce, Texas

Applicant Information

Property Owner: _____
Last First MI
Address _____
Street Address
City State Zip
Phone _____ Email _____
Contact (If different) _____
Last First MI
Phone _____ Email _____

Project Information

Please describe your project. Note: Plans and other documents will still be required.

Project Type

☐	☐	☐	☐	If Other, please specify:
Single Family	Multi- Family	Mixed Use	Other	

Project Address: _____

Legal Description: _____
Lot Block Addition

Project Category: ☐ New Construction ☐ Remodel/Rehabilitation

Total New Square Feet: _____ Total Project Cost: _____

Will the residence be occupied by the property owner as a primary residence? ☐ Yes ☐ No

Will the residence be rented to tenants? If so, how many? ☐ Yes _____ ☐ No

If the Project Type is Mixed Use or Other, please list all anticipated uses:

Do you wish to apply for a property tax abatement for the first year after the project is completed? ☐ Yes ☐ No

Do you wish to apply for the owner-occupied property tax abatement for two additional years following the first-year property tax abatement? ☐ Yes ☐ No

Do you wish to apply for lien forgiveness? ☐ Yes ☐ No

Do you wish to apply to have associated development fees waived? ☐ Yes ☐ No

COMMUNITY DEVELOPMENT OFFICE USE ONLY – ZONING REVIEW

Is the Project Address inside the Neighborhood Empowerment Zone? ☐ Yes ☐ No

What is the zoning at the Project Address? _____

Will the Project require a zoning change ☐ Yes ☐ No

If so, what is the proposed zoning: _____

Completed by: _____ Date: _____

Acknowledgements

Please initial next to each of the following statements

_____ 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 any associated fees will not be reimbursed.

_____ I hereby certify that the information provided is true and accurate to the best of my knowledge.

_____ I hereby certify that all documents and information required have been submitted.

_____ I hereby acknowledge that I have read the application instructions and have received adequate information to complete the application.

_____ I understand that approval of incentives associated with the Neighborhood Empowerment Zone shall not be deemed to be approval of any aspect of the project. I understand that I am responsible for obtaining required permits, approvals, and inspections from the City.

_____I understand that a failure to secure construction permits within 30 days of the submission of this application will require the submission of a new application.

Printed Name of Property Owner/Developer

Signature of Property Owner/Developer

Date

COMMUNITY DEVELOPMENT OFFICE USE ONLY – APPLICATION REVIEW

Application Received by: _____ Date of Application _____

Is the application complete, including any additional documentation? ☐ Yes ☐ No

Date of Construction Permit _____ Date of Permit Expiration _____

Date of Council Action _____

Date of Project Completion _____

Did the property owner submit a homestead exemption? ☐ Yes Date: _____ ☐ No

Note: This may be submitted following 12 months of occupancy



Neighborhood Empowerment Zone City of Commerce, Texas

Project Address: _____

Construction Budget

Eligible rehabilitation or new construction costs include only physical improvements to real property. Real property improvements will not include personal property, such as furniture, appliances, equipment, and/or supplied. Carports, fences, parking lots, accessory structures, etc... are only eligible if included in the original project budget. These items do not qualify as a stand alone project.

Item Description (Please add details as needed)	Price
Demolition	
Roof Repair/ Replacement/Installation	
Mechanical (HVAC)	
Electrical	
Plumbing	
Flooring (Carpet, tile, etc...)	
Additional Rooms Total Square Feet to be added: _____	
Interior Improvements (Walls, etc...)	
Foundation	
Materials	
Exterior Improvements (Paint, Siding, etc...)	
Landscaping	
Other:	
Total	



**Neighborhood Empowerment Zone
City of Commerce, Texas**

Project Address: _____

Additional Property Ownership List

☐ I do not own any other properties within the City of Commerce

Address	Value of Unpaid City Taxes	Value of City Liens	Inside NEZ?

Signature of Property Owner/Developer

Date

I, _____, hereby certify that the above estimate of costs for the proposed rehabilitation or new construction of my property at _____ is true and correct to the best of my knowledge.

I, _____, hereby certify that all contractors associated with the above estimates of cost for the proposed rehabilitation or new construction of my property at _____ are registered with the City of Commerce and maintain a valid license, if necessary, to the best of my knowledge.

Signature of Property Owner/Developer

Date



Neighborhood Empowerment Zone
City of Commerce, Texas

Project Address: _____

Incentive Opt-Out Form

Owner/Company Name: _____

Owner/Company Address: _____

Owner/Company Phone: _____

Project Description:

By signing this Opt-Out Form, I acknowledge that I was notified about the NEZ program and all of its incentives including but not limited to fee waivers, lien forgiveness, and property tax abatements. I understand that if I decide to obtain a building permit for this specific project before applying for NEZ incentives, I am voluntarily forfeiting any claim(s) I have or may have to those incentives and I understand that I **will not** receive any refund for development fees, lien payments, or property taxes.

I also understand that this Opt-Out Form pertains to this specific project only, and by signing this form I am signing for all partial or full co-owners of the above mentioned property and that no owner, full or partial, may lay claim for a refund and/or NEZ incentive for this project after this form has been signed and fees paid.

I also understand that if I apply for a building permit or begin construction for this project without a building permit before submitting an application for NEZ incentives, I **will not** be eligible to apply for a municipal tax abatement or other NEZ incentive.

Reason for Waiving Incentives (optional): _____

Print Name: _____ ☐ Owner ☐ Co-Owner ☐ Agent/Developer

Signature

Date

City Staff Member Receiving Form

Date