

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 10/21/25 M&C FILE NUMBER: M&C 25-0969

LOG NAME: 19NEZ316EDREW

SUBJECT

(CD 11) Authorize Execution of a Five-Year Tax Abatement Agreement with Oasis Luxury Properties, LLC for the Construction of a Single-Family Dwelling of Approximately 1,511 Square Feet and Having a Cost of at Least \$160,000.00 on Property Located at 316 E. Drew Street, in the Worth Heights Neighborhood and within Neighborhood Empowerment Zone Area Six and Neighborhood Empowerment Reinvestment Zone No. 6R

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the execution of a five-year Tax Abatement Agreement with Oasis Luxury Properties, LLC for the construction of a single-family dwelling of approximately 1,511 square feet and having a cost of at least \$160,000.00 on property located at 316 E. Drew Street, in the Worth Heights neighborhood and within Neighborhood Empowerment Zone Area Six and Neighborhood Empowerment Reinvestment Zone No. 6R; and
2. Find that the terms of, and the property subject to, the Tax Abatement Agreement meet the criteria and guidelines set forth in the Neighborhood Empowerment Zone Program Basic Incentives and Tax Abatement Policy.

DISCUSSION:

Oasis Luxury Properties, LLC, (Property Owners), are the owners of the property described as Lot 5, Block 11, J.S. Smith Addition, an addition to the City of Fort Worth, Tarrant County, Texas, according to the Plat Thereof Record recorded in Volume 204-A, Page 118, Plat Records, Tarrant County, Texas, located at 316 E. Drew Street, Fort Worth, Texas, (the Property). The Property is located in the Worth Heights neighborhood and within Neighborhood Empowerment Zone, (NEZ) Area Six.

The Property Owners plan to invest an estimated amount of \$160,000.00 to construct a single-family residence of approximately 1,511 square feet, (Project) on the Property. The Project will be sold to a homeowner to be used as a primary residence.

The Neighborhood Services Department reviewed the application and certified that the Property Owners and Project meet the eligibility criteria to receive a NEZ Municipal Property Tax Abatement. The NEZ Basic Incentives include a five-year Municipal Property Tax Abatement on the increased value of improvements to the qualified owners of any new construction or rehabilitation within the NEZ. Residential owner-occupied tax abatements are capped at the annual median home value as reported by the National Association of Realtors for Tarrant County. This value is updated annually and is currently \$380,220.00.

Upon execution of the Tax Abatement Agreement (Agreement), the total assessed value of the improvements used for calculating municipal property tax will be frozen for a period of five years starting January 2027, at the estimated pre-improvement value as defined by the Tarrant Appraisal District, (TAD) in September 2025, after demolition of the existing structure for the property as follows:

Pre-Improvement TAD Value of Improvements	\$ 0.00
Pre-Improvement Estimated Value of Land	\$36,000.00
Total Pre-Improvement Estimated Value	\$36,000.00

The municipal property tax on the improved value of the Project after construction is estimated in the amount of \$1,072.00 per year, for a total amount of \$5,360.00 over the five-year period. However, this estimate may differ from the actual tax abatement value, which will be calculated based on the TAD appraised value of the property up to the capped value.

In the event of a sale of this Property, the Agreement may be assigned to a new owner's first mortgage or a new owner as a primary residence. All other assignments must be approved by the City Council.

This property is located in COUNCIL DISTRICT 11

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon final approval of the Tax Abatement Agreement, a loss of an estimated \$5,360.00 in property tax

revenue may occur over the five-year period. This reduction in revenue will be incorporated into the long term financial forecast upon the Tax Abatement being officially granted.

Submitted for City Manager's Office by: Dana Burghdoff 8018

Originating Business Unit Head: Kacey Thomas 8187

Additional Information Contact: Sarah Odle 7316

Chad LaRoque 2661