

City of Fort Worth, Texas

# Mayor and Council Communication

DATE: 12/09/25 M&C FILE NUMBER: M&C 25-1123

LOG NAME: 17TAPOLICY2025-A2

SUBJECT

(ALL) Conduct Public Hearing to Adopt a Resolution Amending the General Tax Abatement Policy

(PUBLIC HEARING - a. Staff Available for Questions: Michael Hennig; b. Public Comment; c. Council Action: Close Public Hearing and Act on M&C)

RECOMMENDATION:

It is recommended that the City Council:

- 1. Conduct a public hearing concerning the amendment of the General Tax Abatement Policy; and
- 2. Adopt the attached resolution amending the General Tax Abatement Policy, including guidelines and criteria, governing certain property tax abatements granted by the City of Fort Worth, pursuant to the Texas Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code.

DISCUSSION:

Chapter 312 of the Texas Tax Code authorizes cities to designate tax abatement reinvestment zones and to enter into tax abatement agreements only after the city elects to become eligible to participate in tax abatement and adopts a tax abatement policy that establishes guidelines and criteria governing its tax abatement program. A tax abatement policy adopted by a city is effective for two years from the date of adoption. The City of Fort Worth's most recent General Tax Abatement Policy (TA Policy) was adopted pursuant to Resolution No. 6100-058-2025, amended by Resolution No. 6126-08-2025 and effective from August 5, 2025 through April 22, 2027.

The TA Policy outlines targeted eligibility criteria and requirements that support the goals and objectives of the Fort Worth Economic Development Strategic Plan (Plan), which the City Council revised and accepted on February 22, 2022 (M&C 22-0113).

Occasionally, changes in economic conditions and market trends require amendment of the TA Policy to ensure the availability of tools capable of providing continued support to the execution of the Plan. Therefore, staff recommends incorporating various changes and updates to the TA Policy. Specifically, staff recommends amending the TA Policy to a) amend TA Policy requirements for Affordable Housing (as defined in the TA Policy), Mixed-Use Projects (as defined in the TA Policy), and Catalytic Development Projects (as defined in the TA Policy) in support of the Fort Worth Housing Finance Corporation and promotion of affordable housing within the City; and b) delegate limited authority to the City Manager to amend Tax Abatement Agreements in specific instances stated in the TA Policy.

Additional revisions to address certain formatting changes have also been incorporated into the TA Policy as recommended for adoption.

A copy of the proposed policy is attached.

The proposed General Tax Abatement Policy as amended will be effective from December 9, 2025 through April 22, 2027, unless amended or repealed by at least a three-fourths vote of the City Council. The General Tax Abatement Policy does not apply to tax abatement granted pursuant to the City's Neighborhood Empowerment Zone (NEZ) Policy.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of the above recommendations will have no material effect on City funds.

Submitted for City Manager's Office by:    Jessica McEachern    5804

Originating Business Unit Head:            Jessica Rogers            2663

Additional Information Contact:            Michael Hennig            6024

