



City of Fort Worth
Policy, Guidelines and Procedures for
Tax Increment Reinvestment Zones (TIFs)

December 2009

~~**City of Fort Worth**~~
March 2023

1. GENERAL PROVISIONS.

a. Policy Intent. The intent of this Policy, Guidelines, and Procedures (“Policy”) is to provide direction to City of Fort Worth (“City”) staff and interested parties regarding the development, establishment, and use of Tax Increment Reinvestment Zones (“TIF District(s)”) within the City.

b. Authority.

i. Local Authority. The City adopted the initial guidelines by Resolution No. 3317-02-2006 on February 28, 2006, which have been revised by Resolution No. 3824-12-2009 on December 8, 2009.

Statutory Authority. ~~Housing and Economic Development Department~~

Section I. General Guidelines:

~~1. Each TIF application must demonstrate:~~

- ~~a. “but for” the creation of a TIF, quality development is not likely to occur in the proposed area without financial assistance from a TIF; and/or~~
 - ~~ii. An area is ripe for Under authority of Chapter 311 of the Texas Tax Code, municipalities are permitted to establish TIF Districts. The City will comply with all requirements of Chapter 311 of the Texas Tax Code.~~

~~c. Purpose. The City views the establishment of TIF Districts as a tool for economic development through the strategic investment of future tax revenues in public improvements that directly support the revitalization and growth of areas of strategic value to the City, in accordance with the City’s comprehensive plan. In cooperation with other taxing entities, non-profits, and the private sector, the City uses TIF Districts to concentrate public resources for maximum impact, entice catalyst projects to an area, and to accelerate the improvement of market conditions to support development that would not otherwise occur in the area or within a desired timespan. The City’s use of TIF revenue supports efforts to increase the tax base, attract private investment, address public infrastructure challenges, and provide a strong foundation that the market can build on to generate quality development and support a vibrant economy. The reinvestment of new tax revenues in public improvements through TIF Districts and the resulting attraction of new private investment allow the TIF Districts to become more valuable contributors to the City’s tax base.~~

2. TIF DISTRICT ESTABLISHMENT

a. Criteria to Establish a TIF District:

i. Statutory. In creating a TIF District, City staff must ensure that each TIF District meets all of the applicable criteria set forth in Section 311 of Texas Tax Code Section, as amended, and any other applicable law.

ii. City. In addition to the statutory criteria, City staff must also ensure that each TIF District meets the following criteria:

~~b.1. “But for” the dedicated funds from a TIF District, development or redevelopment provided that public infrastructure is constructed to support the revitalization of the area; and/or to revitalize the TIF District would not occur;~~

~~c.2. Use of a TIF District is the an appropriate incentive tool to recruit or relocate a catalyst project ~~worth~~worthy of public investment; and as determined by the City;~~

3. The area proposed for designation as a TIF ~~will have an~~District is projected to increase in real property taxable value within the first ~~two (2)~~five (5) years following establishment;

4. TIF District is expected to support development or revitalization within the TIF District boundaries across multiple properties of separate ownership; and

5. The TIF District is expected to support and encourage development that will have a positive net fiscal impact on the City, as a whole.

b. Economic and Risk Analysis of a Proposed TIF District. City staff will undertake an economic analysis and risk assessment of each proposed TIF District before arriving at a recommendation to the City Council as to whether the TIF District should be created. The analysis, assessment, and recommendation of all requested TIF Districts will be based on the ability to address the following questions, including but not limited to:

~~1.~~

i. What is the public purpose for the proposed TIF District? Preferred purposes are as follows:

1. Removing barriers to development, such as the need for creation, reconstruction, or re-sizing of street, water, sewer, drainage, or utility infrastructure; or clean-up of environmental issues;

2. Providing for a catalytic center point for the revitalization of a multi-block area or commercial corridor, such as enhanced civic spaces capable of anchoring activity in the district, prompting adjacent development, etc.;

3. Supporting infill development;

4. Protecting existing community assets, such as historic buildings, while supporting compatible new development; or

5. Providing a future funding stream that will support the issuance of bonds by a partner entity or provide for a loan.

- ii. What are the needed public improvements within the proposed TIF District? Will creation of the TIF District cause development to occur earlier than it would otherwise?
- iii. How will the TIF District contribute to revitalization of the zone and the surrounding area?
- ~~d~~.iv. How will the City's general fund be impacted as a result of TIF District designation?
- v. What is the potential financial success of the TIF District in generating tax dollars above that which would be generated without it?
- ~~a~~.vi. What is the appropriate level of participation by the City and other taxing entities?
- vii. ~~The~~ What are the risks or opportunity costs associated with creation of the TIF District?
- viii. Will use of the TIF District recruit a catalyst private project to the zone?
- ix. When will the area likely develop without being designated as a TIF District?
- x. Will TIF funding likely recruit private investment to the area?
- xi. Will creation of the TIF District supplant existing economic development tools that are more appropriate to the development conditions within the proposed zone?
- xii. What alternative economic development tools are available in lieu of the TIF District? Is the expected growth likely to be enough to accomplish the goals of the TIF District?
- xiii. Will the creation of a TIF District substantially impact efforts to reduce slum or blighted conditions as described under Section 311.005 of the Texas Tax Code?

3. TIF DISTRICT ADMINISTRATION

- a. The City's Economic Development Department, or a successor department, is responsible for the administration of each TIF District unless otherwise approved by the Fort Worth City Council ("City Council") in the Preliminary Project and Financing Plans.
- b. Through the creation of a TIF District, City Council delegates authority to all TIF Boards for approval of any and all TIF expenditures and receipts. Approval by a TIF Board either of i) a resolution adopting the annual budget for the TIF District or ii) a resolution authorizing the TIF to enter into an agreement that obligates the future expenditure of TIF funds will serve as sufficient TIF Board authorization for the release of TIF funds for the payment of expenses, including those expenses that might be payable following termination of the TIF.
- c. The City Council will appoint the Chair and Vice-Chair of each TIF Board on an annual basis.

d. Non-City TIF participants (County, Hospital District, etc.) may elect to designate a proxy for a TIF Board member that has been appointed by that participant. The proxy will have all of the powers and responsibilities of a duly appointed TIF Board member, including voting authority. TIF Board member proxies should be identified by the participant in writing prior to any TIF Board meeting at which the proxy is to serve on behalf of the appointed TIF Board member.

e. Administrative extension of project completion deadlines will be permitted for a maximum extension period of 6 months beyond the then-applicable completion deadline. Any additional extensions will require approval by the TIF Board.

f. TIF Board meetings must be conducted in accordance with the Texas Open Meetings Act (Ch. 551 State Government Code) and other applicable law.

4. TIF DISTRICT TERM

2.a. Initial Term. The initial term of any newly created TIF District may not exceed 21 years (20 years of tax increment collection), unless otherwise approved by City Council. Only TIFs created to help finance a “Major Infrastructure Project”, as designated by the City Council pursuant to Resolution in accordance with the City’s Relocation Incentives Policy for Businesses Displaced by Major Infrastructure Projects (Resolution No. 3556-11-2007), may have a term greater than 21 years, and the longer term shall only be permitted as necessary to fully finance the “Major Infrastructure _____ Project”;

b. Termination Date. As prescribed under Chapter 311 of the Texas Tax Code, each TIF District shall terminate on the earlier of:

2. _____

i. The termination date designated in the ordinance or order, as applicable, creating the zone or an earlier, City of Fort Worth participation in any TIF or later termination date designated by an ordinance or order adopted subsequent to the ordinance or order creating the TIF District; or

a.ii. The date on which all project costs, tax increment bonds and interest on those bonds, and other obligations have been paid in full.

c. Term Extension. Extension of the term of any TIF District will be subject to City Council approval, with consideration primarily reserved for TIF Districts created to help finance a “Major Infrastructure Project”, as designated by Resolution of the City Council and only if such extension is required to fully finance the “Major Infrastructure Project.” In all other cases, proposals for a TIF District term extension must include a reduction in the City’s participation rate for the extended portion of the term.

a. _____

d. Use of Remaining Funds and New Increment at Termination.

i. Upon termination of any TIF District, all funds payable to the remaining taxing entities participating in the TIF will be distributed by the City back to the

respective taxing entities. Following termination of any TIF District, it is anticipated that, subject to approval of the City Council by way of adoption of the annual City Budget, a portion of the equivalent City of Fort Worth property tax rate as derived from the City's contribution to the TIF District in the final year of participation may be dedicated to the Economic Development Initiatives Fund.

5. PARTICIPATING TAXING ENTITIES

a. City Participation.

3.i. City participation in any TIF District will be limited to ad valorem real property taxes and preference will be given to participation at a rate less than 40080 percent of the tax increment;

4. City of Fort Worth Housing and Economic Development Department will receive and evaluate all TIF requests and applications; and

5. City of Fort Worth Housing and Economic Development Department will be responsible for all TIF administration unless otherwise approved by the Fort Worth City Council in the Preliminary Project and Financing Plans.

Section II. Overview, Requirements, and Criteria

3. Local Authority. The City of Fort Worth adopted the initial guidelines by Resolution No. 3317-02-2006 on February 28, 2006 and was revised by Resolution No. (TBD) on December 8, 2009. The intent of this Policy is to provide direction to City Staff and interested parties regarding the development and establishment of TIFs within the City of Fort Worth.

4. Statutory Authority. Under authority of Chapter 311 of the Texas Tax Code, municipalities are permitted to establish TIFs. The City of Fort Worth will comply with all requirements of Chapter 311 of the Texas Tax Code.

5. TIF Goals and Objectives. It is the City's goal to utilize TIFs as an economic development tool in the development or redevelopment of targeted areas. The City of Fort Worth may use TIFs to finance needed public improvements and enhance infrastructure within those targeted areas. It is the intent of the City to use TIFs for the primary purpose of the encouragement of revitalization within the Central City and other targeted areas identified by City Council by leveraging private investment for certain types of development activities that support the goals outlined in the City of Fort Worth Comprehensive Plan.

6. MAWBE Goals. In satisfaction of the requirements set forth in Section 311.0101 of the Texas Tax Code, before initiating work on any phase of the public improvements, the following goals and commitments must be met:

- ~~1.1. Any project costs for improvements that will ultimately be owned by the public and contemplated under a TIF Project and Financing Plan will require goals set by the Minority/Women Business Enterprise office for utilization of Fort Worth certified minority-owned and women-owned business enterprises (M/WBEs) in accordance with the same process followed for City Public Works contracts.~~
- ~~1.2. Any project costs for improvements that will ultimately be owned by a private entity and contemplated under a TIF Project and Financing Plan will require a commitment for utilization of Fort Worth certified M/WBEs of at least 25 percent of the total construction costs of a given project. The commitment must be outlined in the Economic Development Agreement or the TIF Development Agreement specifying the terms under which construction of the public improvements receiving assistance from a TIF are delineated. Any commitment below 25 percent will require a developer to meet with the City of Fort Worth M/WBE Advisory Committee prior to action by the applicable TIF Board of Directors to seek their input and assistance. The M/WBE Advisory Committee will provide the applicable TIF Board of Directors with a recommendation related to the utilization of Fort Worth certified M/WBEs. This recommendation, if different from the commitment made by the developer, will be non-binding, but should be taken under advisement by the applicable TIF Board of Directors.~~

~~7. *Determining Eligibility.* City Staff will undertake an economic analysis and risk assessment of each proposed TIF before arriving at a recommendation to the City Council as to whether the TIF should be created. The analysis, assessment, and recommendation of all requested TIFs will be based on the applicant's ability to address the following questions:~~

- ~~b. What is the public purpose of the proposed TIF? Will the area develop without being designated as a TIF? What are the required public improvements?~~
- ~~c. What is the financial need for public investments and/or subsidy? Will use of the TIF recruit or relocate a catalyst project?~~
- ~~d. How will the City's general fund be impacted as a result of TIF designation?~~
- ~~e. What is the potential success of the TIF?~~
- ~~f.ii. What is the appropriate level of participation by the City and other taxing entities?~~
- ~~iii. The City may elect to contribute less than 80 percent of incremental real property taxes to the TIF District. In no event will the City contribute any incremental sales taxes to the TIF District. Any City Council-approved tax abatement or similar withholding from participation in a TIF District that arises either from City Council approval of support for a specific project or property or, alternatively, from the authorized award of other benefits relating to a property's ad valorem real property taxes (such as property tax abatements or appraised value~~

freezes for historic renovations) will be consented to by the City Council without further requirement of authorization.

a. _____

g. ~~Participation by Other Taxing Entities.~~ What are the risks associated with creation of the TIF?

h. ~~What alternative economic development tools are available in lieu of the TIF? How does the proposed Project and Financing Plan meet the needs of the proposed projects?~~

i. ~~How will the TIF impact targeted public project improvements that are not proposed as TIF projects?~~

8. ~~TIF Tax Increment.~~ Once a TIF District has been established in accordance with Chapter 311 and these guidelines, incremental real property taxes resulting from new construction, public improvements, and redevelopment efforts, will accrue to the various taxing entities. Participating entities may deposit all, a predetermined portion, or none of the incremental taxes in a designated TIF fund for the purpose of financing the planning, design, construction or acquisition of public improvements to the TIF. ~~The City of Fort Worth may elect to contribute less than 100 percent of incremental real property taxes to the TIF. In no event will the City contribute any _____ incremental _____ sales _____ taxes _____ to _____ the _____ TIF. District.~~

9. ~~Use of TIF Proceeds.~~ TIF funds may be used only to pay for those public works and public improvements authorized by Chapter 311 of the Texas Tax Code. TIF proceeds cannot be used to support exclusively private purposes.

10. ~~Demonstration of Community Revitalization Impact.~~ It is the intention of the City of Fort Worth to use TIFs for the purpose of supporting community revitalization and redevelopment projects in targeted areas. As part of the application, a requestor must describe:

b. ~~How the planned investment will contribute to revitalization activities in the zone in question and/or the surrounding area of the community; and~~

c. ~~How the input of nearby neighborhood residents and businesses has been _____ solicited _____ in _____ the _____ planning _____ process.~~

11.b. ~~Participation by Other Taxing Entities.~~ Under Section 311.01 of the Texas Tax Code, other local taxing entities retain the right to determine the amount of tax increment that each will retain, or each may decide to retain all of the tax increment. ~~The City of Fort Worth~~ will enter into written agreements with all participating taxing entities to specify:

a.i. _____ The conditions for payment of the tax increment into a TIF; District;

b.ii. _____ The portion of tax increment to be contributed by each entity to the TIF District; and

c.iii. _____ The _____ term _____ of _____ the _____ agreement.

~~12. *Term of a Reinvestment Zone.* As prescribed under Section 311.017 of the Texas Tax Code, reinvestment zones shall terminate on the earlier of:~~

~~b. The termination date designated in the ordinance or order, as applicable, creating the zone or an earlier, subject to Subsection (c) hereof or later termination date designated by an ordinance or order adopted subsequent to the ordinance or order creating the zone; or~~

~~c.iv. The date on which all project costs, tax increment bonds and interest on those bonds, and other obligations have been paid in full.~~

~~d. Only TIFs created to help finance a "Major Infrastructure Project", as designated by the City Council pursuant to the City's Relocation Incentives Policy and Guidelines for Qualifying Businesses Affected by Public Infrastructure Projects (Resolution No. 3556-11-2007) may be considered for a term extension if such extension is required to fully finance the Major Infrastructure Project.~~

Criteria for TIF District Creation Requests.

~~c. For purposes of calculating participation by other local taxing entities either annually or across the duration of the term of the TIF District, such participation and any associated obligations will be determined based on the appraised taxable value of the TIF District as assessed by the applicable appraisal district.~~

~~d. Tax Exemptions Issued by Participating Taxing Entities. All taxing entities that participate in the TIF District shall retain the right to grant tax exemptions as permitted by applicable law to properties located in the zone for purposes including but not limited to 1) historic preservation and restoration and 2) homestead exemptions. Except as otherwise provided for under Section 4.1., this shall not include any form of tax abatement or grant of tax funds collected by either of the participating taxing entities without prior approval by the TIF Board pursuant to Section 311.013(g) of the Texas Tax Code.~~

6. TIF DISTRICT APPLICATION PROCESS

~~a. The City of Fort Worth Economic Development Department shall receive and evaluate all TIF District requests and applications. The City will not be obligated in any respect to the establishment of a TIF District upon the receipt of an application and such establishment may be refused for any purpose arising out of the evaluation process and criteria set forth within this Policy. In addition, the event that the proposed TIF District originates from the recommendation of City Staff, the City of Fort Worth Economic Development Department will be responsible for the evaluation and processing of the proposed TIF District establishment and will be exempt from all other requirements presented in this Section 5. of the Policy.~~

~~b. The estimated timeframe to complete the application process for TIF District designation is at least six (6) months. Therefore, applications for the creation of a TIF District must be submitted to the City by June 30 in order for the TIF District to be established in the same calendar year. Applications submitted to the City after June 30 will not be considered for designation until the following calendar year.~~

c. ~~All applications for creation of a proposed TIF the items~~ District and applicable fee(s) should be delivered to:

City of Fort Worth
Economic Development Department
TIF Administrator
1150 South Freeway
Fort Worth, Texas 76104
817-871-6021
TIFs@fortworthtexas.gov

d. Applicants desiring to designate a TIF District must fully complete an “Application for Designation of Tax Increment Reinvestment Zone,” provide all information as outlined above, before below in one original paper copy and one complete electronic copy and submit the applicable application fee.

~~43-e.~~ Before reviewing an application for the creation of a TIF District, the City will require that the ~~requesters~~applicants provide the following as part of their application:

~~a.i.~~ a.i. A summary that includes a general description of the proposed TIF District, including proposed boundaries, an overview of the proposed projects, and proposed levels of participation by each taxing entity. This summary should not be more than one page in length;

~~b.ii.~~ b.ii. A legal description (metes and bounds) and a map of the real property proposed for TIF District designation;

~~c.iii.~~ c.iii. An economic ~~impact~~feasibility study as prescribed in Section 311.~~003011~~ of the Texas Tax Code;

~~d.iv.~~ d.iv. A minimum of four (4) years of tax appraised value information from the appropriate tax appraisal district for all properties in the proposed TIF District;

~~e.v.~~ e.v. A proposed Project and Financing Plan as described in Sections 311.003 and 311.011 of the Texas Tax Code, with detailed descriptions of the projects and their costs, including detailed pro formas, if available; ~~and~~

~~f.vi.~~ f.vi. ~~A proposed Financing Plan as described in Sections 311.003 and 311.011 of the Texas Tax Code, with complete~~ Complete tax increment projections for the entire term of the TIF; and

~~vii.~~ vii. ~~All information must be provided in both paper~~ An outreach plan outlining the efforts to solicit and ~~electronic form. A minimum~~ obtain input of nearby neighborhood residents and businesses within a quarter mile radius of the proposed TIF district boundary.

~~4.~~ 4.

f. Pre-Application Review Process. An applicant may request a meeting with appropriate City Staff prior to submitting an application in order to address TIF

requirements and development processes. Each applicant must bring a draft of the completed application and supporting documentation to the meeting. The meeting can be scheduled through the Economic Development Department.

2.

g. Application Fee. ~~five (5) copies~~ A non-refundable application fee of \$2,000 must accompany all applications for the establishment of a TIF District. The application fee should be in the form of a check or a money order and made payable to “The City of Fort Worth”. The application fee is to support administrative costs of initial review for completeness, internal processes, and presentations.

3.

h. Preliminary Review. City Staff will conduct a preliminary review of the application within ten (10) working days to ensure compliance with these guidelines. If City Staff determines that an application does not meet the criteria hereunder, the applicant will be so notified, the application fee will not be refunded, and no further action on the application will occur. The applicant will have fourteen (14) working days to supply any information that is lacking without having to resubmit a new application.

4.

i. Application Review. If City Staff determines that an application meets these Guidelines, a full financial and programmatic review of the proposed project will occur. This review may be conducted by City Staff, an outside agency, or consultant and may result in a City Staff recommendation that TIF District designation is not appropriate.

j. Public Information Act. Upon submission of an application, all project information provided to or developed by the City may become “public information,” and therefore may be subject to release under provisions of the Texas Public Information Act.

7. THE PROJECT CRITERIA

14.

a. Use of TIF Proceeds. TIF funds may be used only to pay for those public works and public improvements authorized by Chapter 311 of the Texas Tax Code. ~~be~~ TIF District proceeds cannot be used to support exclusively private purposes. TIF funds awarded to a Project will not have interest applied to the disbursement of those funds. TIF funds may, in support of a qualified project and upon TIF Board approval, be delivered to the recipient in the form of a short-term, low interest loan provided that (i) at no point may the lent amount exceed fifty percent of the fund balance of the TIF District and (ii) that the term of the loan not exceed five years.

b. Criteria for TIF Project Requests. -In order for City Staff to recommend funding of a particular project by the TIF District once the TIF District has been established, the party desiring TIF financing must provide the following:

15.

a.i. Information satisfactorily demonstrating the financial wherewithal to meet project costs and complete the project (i.e. financial statement, complete sources and uses budget, or Letter of Credit from an appropriate financial institution);

b.ii. A complete and detailed market feasibility study;

~~e.iii.~~ A complete and detailed cost benefit analysis; the direct and indirect benefits of a development proposal shall be determined and quantified by City Staff (e.g. employment benefits, tax base benefits, housing benefits, and transportation benefits);

~~d.iv.~~ Demonstrated clear financial gap (e.g. the profitability and feasibility of the project both with and without public assistance, including a detailed delineation of the developer equity contribution into the project and the overall proposed financial structure of the project);

~~e.v.~~ Proposed security, collateralization, or credit enhancement; and

~~f.vi.~~ Demonstrated commitment to the quality of development, the project area, and project completion.

Section III. Application Process and Fees

~~e.~~ Depending on the exact nature and complexity of the proposed TIF, the estimated timeframe to complete the process for designation is at least six (6) months. Therefore, applications for the creation of a TIF must be submitted to the City by June 30 in order for the TIF to be established in the same calendar year. Applications submitted to the City after June 30 will not be considered for designation until the following calendar year. In addition, requestors must submit at least five (5) copies of the application.

All applications for creation of a proposed TIF and applicable fee(s) should be delivered to:

City of Fort Worth
Housing and Economic Development Department
TIF Administrator
1000 Throckmorton
Fort Worth, Texas 76102
817.392.6103

~~5.~~ *Application Form.* Requestors desiring to designate a TIF must fully complete an “Application for Designation of Tax Increment Reinvestment Zone”, provide all information by this Policy and submit the required application fee, as set forth in Subsection III below.

~~6.~~ *Pre-Application Review Process.* A requestor may request a meeting with appropriate City Staff prior to submitting an application in order to address TIF requirements and development processes. The meeting can be scheduled through the Housing and Economic Development Department.

~~7.~~ *Application Fee.* A non-refundable application fee of \$1,500 must accompany all applications. The application fee should be in the form of a check or a money order and made payable to “The City of Fort Worth”. The application fee is to support administrative costs of initial review for completeness, internal processes, and

~~presentations.~~

~~8. Preliminary Review. City Staff will review the application within ten 10 working days to ensure compliance with these guidelines. If City Staff determines that an application does not meet the criteria hereunder, the requestor will be so notified, the application fee will not be refunded, and no further action on the application will occur. The requestor will have 14 working days to supply any information that is lacking without having to resubmit a new application.~~

~~9. Application Review. If City Staff determines that an application meets these Guidelines, a full financial and programmatic review of the proposed project will occur. This review may be conducted by City Staff, an outside agency, or consultant, and includes at a minimum an analysis of said items under Section I, paragraphs V, VII, VIII, XI, and XII in the application or may result in a City Staff recommendation that TIF designation is not appropriate.~~

~~10. Open Records Act. Upon submission of an application, all project information provided to or developed by the City could become "public information", and therefore may be subject to provisions of the Texas Open Records Act.~~

Section IV. Statutory Criteria for TIF Designation

~~In accordance with Section 311.005 of the Texas Tax Code, to be designated as a TIF, an area must:~~

- ~~1. Substantially arrest or impair the sound growth of the municipality creating the zone, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to public health, safety, morals, or welfare in its present condition and use because of the presence of:
 - ~~a. A substantial number of substandard, slum, deteriorated, or deteriorating structures;~~
 - ~~b. The predominance of defective or inadequate sidewalk and street layout;~~
 - ~~c. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;~~
 - ~~d. Unsanitary or unsafe conditions;~~
 - ~~e. The deterioration of site or other improvements;~~
 - ~~f. Tax of special assessment delinquency exceeding the fair value of the land;~~
 - ~~g. Defective or unusual conditions of title;~~
 - ~~h. Conditions that endanger life or property by fire or other causes; or~~
 - ~~i. Structures, other than single-family residential structures, less than 10 percent of the square footage of which has been used for commercial, industrial or residential purposes during the preceding 12 years; or~~~~

- ~~2. Be predominantly open and, because of obsolete platting, deterioration of structures or site improvements or other factors, substantially impair or attest the sound growth of the municipality; or~~
- ~~3. Be in a federally assisted new community located in the municipality or in an area immediately adjacent to a “federally assisted new community”; or

 - ~~a. Federally assisted new community is defined as an area that has received or will receive assistance in the form of loan guarantees under Title X of the National Housing Act, if a portion of the federally assisted area has received grants under Section 107 (a) (1) of the Housing and Community Development Act of 1974).~~~~
- ~~4. Be an area described in a petition requesting that the area be designated as a reinvestment zone, if the petition is submitted to the governing body of the municipality of the owners of property constituting at least 50 percent of the appraised value of the property in the area according to the most recent certified appraisal roll.

 - ~~a. Only City Council is able to make a defensible finding that the area described in the petition is unproductive, underdeveloped, or blighted, as required by Article VIII, Section 1 – g (b) of the Texas Constitution.~~~~

~~Section V. Statutory Criteria for TIF Designation~~

- ~~2. *Size Limitations.* The City of Fort Worth is not permitted under Section 311.006 of the Texas Tax Code to create a TIF or change the boundaries of an existing TIF if the total appraised value of taxable real property in the proposed TIF and in existing TIF exceeds:

 - ~~a. 15 percent of the total appraised value of taxable real property in the City of Fort Worth and industrial districts created by the City of Fort Worth; or~~
 - ~~b. 15 percent of the total appraised value of taxable real property of a county in which the TIF is located; or~~~~
- ~~8. 15 percent of the total appraised value of taxable real property of a school district in _____ which _____ the _____ TIF _____ is _____ located.~~

~~**DEMONSTRATED EQUITY COMMITMENT TOWARD THE PROJECT.**~~

~~a. **Business Equity Commitment:** In support of the aspirational goals set by the City’s Business Diversity Enterprise Ordinance, as well as the City’s General Tax Abatement Policy and consistent with the recommendations of the 2018 Race and Culture Task Force, projects that receive TIF funding will require a commitment for the utilization of Fort Worth area Business Equity Firms (“BEFs”) as defined in the General Tax Abatement Policy on (i) at least 15% of the value of those improvements eligible for reimbursement by the TIF District and (ii) at least 10% of overall project costs except as otherwise set by Director of the Department of Diversity and Inclusion (“DVIN”). TIF Project Applicant shall work with DVIN to analyze the potential to achieve the required~~

commitment. DVIN shall have the sole authority to waive or reduce the level of required commitment based on the availability of Fort Worth area certified BEFs.

b. If upon completion of the TIF funded portion of the improvements it is determined that the required BEF commitment was not achieved for a particular category of improvement as outlined in the agreement, the amount of TIF funding for that category of improvement will be reduced by the dollar amount representative of the shortfall in achievement of the commitment. For example, if in a particular category within the TIF funded portion of the project the developer had committed to spending \$50,000 on certified BEFs and only \$45,000 was spent, TIF funding will be reduced by \$5,000.

9. USE OF TIF CHAPTER 380 AGREEMENTS.

a. As authorized by their respective Boards and included in their respective Project and Financing Plan, each TIF District may enter into economic development program grants pursuant to Chapter 380 of the Texas Local Government Code (“Chapter 380 Agreements”) for projects located within the boundaries of the TIF District as authorized by and in accordance with Section 311.010(h) of the Texas Tax Code.

b. Conditions under which a TIF may authorize the use of TIF Chapter 380 Agreements will be authorized by the TIF Board and the City Council upon approval or amendment of the TIF’s Project and Financing Plan in accordance with Chapter 311 of the Texas Tax Code and Chapter 380 of the Texas Local Government Code. For cases in which a Project and Financing Plan does not specifically address or condition the use of TIF Chapter 380 Agreements, the use of such agreements will be permitted subject to approval by the respective TIF Board by resolution on a case-by-case basis.

10. Affordable Housing Requirements. As authorized by and in accordance with Section 311.010(a) and (b) of the Texas Tax Code, the City Council hereby delegates the authority to set an Affordable Housing Policy by resolution of the respective TIF District Board for those Districts with Project and Financing Plans that allow TIF funding in support of affordable housing.

~~6. ———~~
~~3. Use Limitations. The City of Fort Worth is not permitted under Section 311.006 of the Texas Tax Code to create a TIF or change the boundaries of an existing TIF if more than 10 percent of the property in the proposed or modified zone (excluding publicly-owned property) is used for residential purposes. A property is considered to be used for residential purposes if it contains less than five (5) living units. This particular restriction does not apply to TIFs established pursuant to a petition received in accordance with Section 311.005 (a) (5) of the Texas Tax Code.~~

Any questions regarding this Policy should be directed to the City of Fort Worth ~~Housing and Economic Development Department, 1000 Throckmorton~~ 1150 South Freeway, Fort Worth, Texas ~~7610276104~~, or by phone, 817-~~392-6103~~.

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