

*Promoting housing, economic development and quality services in the City of Nolanville*

The City of Nolanville is exploring new programs to encourage neighborhood level improvements and more affordable housing!

**Neighborhood Empowerment Reinvestment Zone:**

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:

- an increase in economic development in the zone;
- an increase in the quality of social services, education, or public safety provided to residents of the zone; or
- the rehabilitation of affordable housing in the zone."

**What area is covered?**

Multiple areas may be designated a NEZ. The area known as the Woodlands (formally known as the Plaza) is the first area designated as a NEZ: Neighborhood Empowerment Reinvestment Zone No. 1.

**What incentives are available?**

- **Municipal Property Tax Abatement:** up to 100% abatement for 5 years on increase in appraised value resulting from improvements
- **Fee Waivers:** building permits, plat applications, demolition permit, board of adjustment application, zoning application, and other development fees
- **Release of City Liens:** weed liens, demolition liens, and board-up/open structure liens.

**What projects are ineligible?**

- Sexually Oriented Businesses
- Non-residential mobile structures
- Stand-alone bars
- Package stores or liquor stores
- Projects to be constructed on property purchased or to be purchased under a contract for deed

**What if I don't want to apply?**

If you do not wish to apply for NEZ incentives owners/developers may fill out and sign an Opt-Out form.

**Review Process for Applications.**

All requests for tax abatement and NEZ incentives must go before the City Council for a vote. House Bill 3143 took effect on September 1, 2019, which requires at least 30 days advance notice be given of the tax abatement. Applicants requesting tax abatement may not submit for a building permit until the abatement has been approved by the City Council and the applicant has signed a contract. In order for a property owner/developer to be eligible to apply for any NEZ incentives for a Project:

- Must submit a complete application
- Must not be delinquent in paying property taxes for any property owned by the owner
- Must not be responsible for City liens on the project property
- Must not have any City liens filed against any property owned by the applicant or property owner/developer
- Must not have been subject to a Building and Standards Commission's Order of Demolition

**What is the application fee?**

- The **non-refundable** application fee for residential tax abatements is \$100.00 for each residential unit.
- The **non-refundable** application fee for tax abatements for multi-family, commercial, industrial, and mixed-use development projects is one-half of one percent (0.5%) of the proposed Project's Capital Investment, with a \$200 minimum not to exceed \$2,000

**What happens if my application is denied?**

- NEZ applications will be denied 30 days after submission if all required or additionally requested documentation is not received by the City.
- The applicant will have 90 days after the date of denial to resubmit the NEZ application without paying a new application fee.

The Nolanville City Council retains sole authority to approve or deny any NEZ incentives and/or tax abatement agreement and is under no obligation to approve any application or tax abatement agreement.