

Memorandum



CITY OF DALLAS

DATE July 31, 2020

TO Honorable Members of the Economic Development Committee:
Tennell Atkins (Chair), David Blewett (Vice-Chair), Jennifer Staubach Gates,
Adam McGough, Omar Narvaez, Jaime Resendez, Chad West

SUBJECT **Proposed Expansion of Neighborhood Empowerment Zone (NEZ) No. 10**

On August 26, 2020, City Council will be asked to consider the proposed expansion of Neighborhood Empowerment Zone (NEZ) No. 10 by 152 acres. The proposed expansion includes 169 additional commercial properties along Buckner Boulevard generally from Lake June Road to Scyene Road in the Pleasant Grove area of Dallas. Please see Exhibit "A" for a map of the proposed expansion area.

On June 12, 2019, City Council approved Resolution Number 19-0945, designating approximately 373 acres of property along Buckner Boulevard and Great Trinity Forest Way in the Pleasant Grove area of Dallas as NEZ No. 10. Please see Exhibit "B" for more details about NEZ No. 10.

Over the past year, Office of Economic Development staff have been working with a number of property owners within NEZ No. 10 on possible economic development projects. To date, no projects have been ready for approval.

The proposed expansion of NEZ No. 10 will increase the opportunities to partner on projects to overcome economic challenges in the Pleasant Grove area. The same economic indicators that were identified during the initial designation of NEZ No. 10 exist in the proposed expansion area: aging commercial corridor, small parcels, fragmented ownership, underutilized land use, auto-oriented low-density development pattern, lack of amenities in the public realm, visual clutter, perception and relatively lower levels of market demand.

Office of Economic Development staff have received interest in projects that could benefit from the NEZ if expanded as proposed.

Should you have any questions, please contact Courtney Pogue, Director, Office of Economic Development at 214-670-0170.

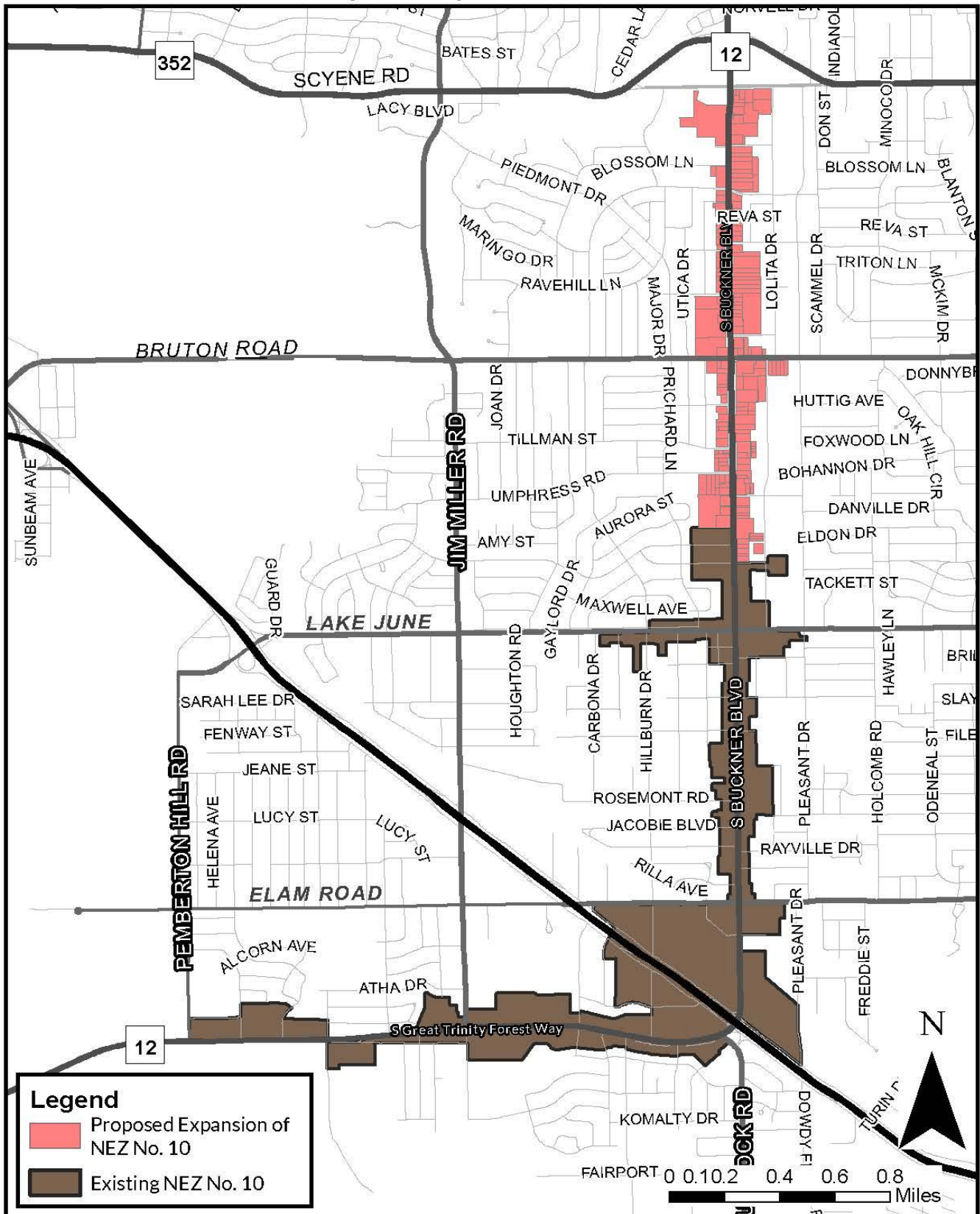
Dr. Eric Anthony Johnson
Chief of Economic Development & Neighborhood Services

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager

Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Laila Alequresh, Chief Innovation Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors

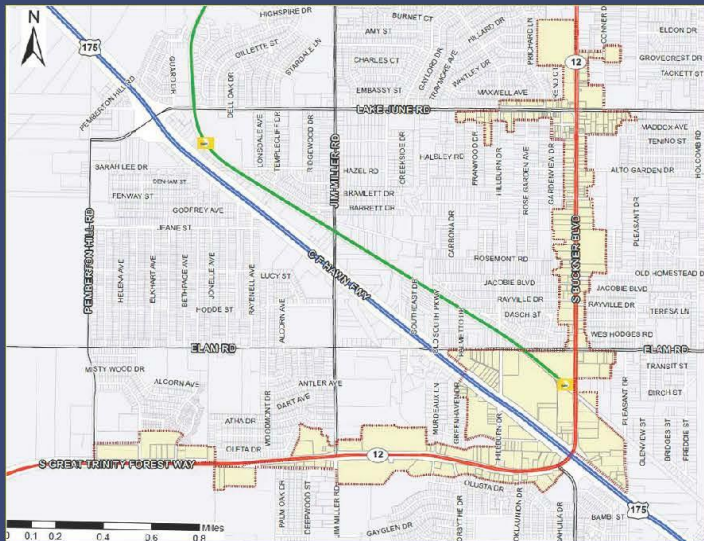
EXHIBIT A

Proposed Expansion of NEZ No. 10



NEIGHBORHOOD EMPOWERMENT ZONE #10

DALLAS, TEXAS



NEZ No. 10 is generally located along South Buckner Boulevard and Great Trinity Forest Way in the Pleasant Grove area of Dallas.

On June 12, 2019, Dallas City Council approved the designation of Neighborhood Empowerment Zone #10 (NEZ No. 10) for a geographic area approximately 373 acres in size.

In conjunction with the designation of NEZ No. 10, the City of Dallas Office of Economic Development proposed the creation of a pilot program to encourage increased economic development in NEZ No. 10.

This pilot program is intended to spur economic development within the NEZ No. 10 boundary, consistent with the Pleasant Grove Now initiative, including stimulating business and commercial activity, retaining and creating jobs, increasing occupancy of existing buildings, encouraging investment in existing buildings, and incentivizing workforce development/job training programs.

With the designation of NEZ No. 10, Dallas City Council also approved \$1 million of 2017 bond funding as a dedicated source of funds to incentivize economic development projects in NEZ No. 10.

A project seeking incentives in NEZ No. 10 must contractually commit to creating/retaining at least 5 jobs or providing at least \$75,000 of private investment.

The following incentive tools may be available to property owners and businesses within NEZ No. 10 that meet the eligibility criteria of this program:

- ◆ Real property tax abatement (up to 90 percent for 10 years)
- ◆ Business personal property tax abatement (up to 50 percent for 5 years)
- ◆ Grants and loans
- ◆ Incentives for workforce development/job training
- ◆ Other economic development tools as applicable (Public Improvement District; New Markets Tax Credits; Property Assessed Clean Energy [PACE] financing; State of Texas incentives)

All potential projects require the submittal of an incentive application. Each application will be evaluated and underwritten on a case-by-case basis based on the specifics of each project.

FOR MORE INFORMATION CONTACT

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ECONOMIC DEVELOPMENT
DISTRICT MANAGER

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