

WHAT IS A TAX ABATEMENT?

IT IS A TOOL TO EXPAND THE FORT WORTH ECONOMY, BY ENCOURAGING NEW INVESTMENT WHICH WILL INCREASE OR RETAIN EMPLOYMENT, GENERATE NEW DEVELOPMENT, REDEVELOP DETERIORATED AREAS AND/OR CREATE INVESTMENT IN THE CENTRAL CITY.

WHAT IS AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT?

IT IS A LAST RESORT, GAP FINANCING TOOL FOR PROJECTS FACING EXTRAORDINARY CHALLENGES TO DEVELOPMENT THAT OFFER SIGNIFICANT POSITIVE IMPACT TO THE COMMUNITY AND SURROUNDING NEIGHBORHOODS.

WHAT HAPPENS IF TERMS ARE NOT MET?

THE INCENTIVE IS REDUCED BY THE PERCENTAGE THE COMPANY DOES NOT MEET THE TERMS, INCREASING THE TAXES RECEIVED BY THE CITY.

WHAT IS THE BENEFIT TO THE COMPANY?

THE COMPANY WILL RECEIVE A FULL OR PARTIAL PROPERTY TAX ABATEMENT OR CITY SALES TAX REFUND ON TAXES GENERATED FROM THE NEW INVESTMENT FOR A LIMITED PERIOD OF TIME.

WHAT IS THE BENEFIT TO THE CITY?

- NEW JOBS FOR FORT WORTH RESIDENTS
- RETAIN JOBS FOR RESIDENTS
- INCREASED BUSINESS FOR FORT WORTH COMPANIES AND CERTIFIED M/WBE COMPANIES
- PROMOTES QUALITY AFFORDABLE HOUSING AND MIXED INCOME DEVELOPMENT
- INCREASED TAX BASE
- INCREASED QUALITY OF LIFE FOR RESIDENTS



CUMULATIVE PERFORMANCE 2007 PERFORMANCE

THE CITY HAS ISSUED 54 AGREEMENTS SINCE 1989 TO 2007, WHICH HAVE GENERATED \$1.32 BILLION IN NEW INVESTMENT AND 13,635 JOBS.

RETURN ON INVESTMENT



*\$1.32 BILLION INVESTED \$45.1 MILLION INCENTIVES

*IN ADDITION, COMPANIES MADE ANNUAL INVESTMENT IN SERVICES, PAYROLL, TAXES, ETC., THAT IS NOT CAPTURED.

EMPLOYMENT SUMMARY



THE CITY HAS 28 ACTIVE AGREEMENTS, WHICH ARE ESTIMATED TO GENERATE \$848 MILLION IN NEW INVESTMENT AND 7,807 NEW AND RETAINED JOBS. IN 2007, COMPANIES RECEIVED \$6.9 MILLION IN CITY TAX INCENTIVES FOR THEIR NEW INVESTMENT, WHICH GENERATED APPROXIMATELY \$32.6 MILLION IN REVENUE TO THE TAXING ENTITIES.

EMPLOYMENT SUMMARY



ACTUAL TOTAL JOBS EXCEEDS CONTRACT AMOUNT BY 1,567 OR 25%

FORT WORTH BUSINESS PARTICIPATION

ACTUAL CONSTRUCTION SPENDING EXCEEDS CONTRACT AMOUNT BY \$190 MILLION OR 101%



M/WBE BUSINESS PARTICIPATION



ACTUAL CONSTRUCTION SPENDING EXCEEDS CONTRACT AMOUNT BY \$97 MILLION OR 92%