

City of Dallas

Public/Private Partnership Program

Summary for Non-Residential Projects

City of Dallas Public/Private Programs

It is the purpose of the following programs to provide assistance only for projects where such assistance is necessary to stimulate private investment. Accordingly, these programs are available when agreements between the City and private parties that are not tax-exempt are approved by City Council prior to private investment occurring. Projects seeking economic incentives must provide written assurance that 'but for' the incentives sought, the proposed project would be substantially altered such that the economic returns to the city would be reduced or the project would not otherwise occur in the city. Projects occurring in Southern Dallas are assumed to have met the 'but for' test.

Tax Abatement

Temporary abatement of either real estate or personal property taxes. In limited cases, Southern Dallas projects may be considered for a combination of both real and personal property tax abatement when the combined amount does not exceed 90% of the City taxes on total new improvement value. Tax abatement for net new business personal property will require businesses to remain within the tax abatement reinvestment zone for twice as long as the duration of the abatement period. Recipient firms provide initial certification of required improvements and annual certification of job requirement. City staff may consider Dallas resident employment, contracting with local and minority and women owned businesses, efforts to exceed minimum environmental regulations, wage rates, community activities, and target industry projects when negotiating this incentive. All financial incentive terms must begin by January 1 of the second calendar year following City Council authorization.

Infrastructure Cost Participation

City pays some or all of required City infrastructure (within ROWs or easements dictated to City). Participation is considered on a 'case by case' basis up to a maximum of 50% of eligible costs and contingent upon funding availability. Participation above 30% requires City bidding procedures.

Development Fee Rebates

'Case by case' rebate of City fees charged in the regulation of land development on a not-to-exceed basis. Rebate payable after Certificate of Occupancy and contingent upon funding availability.

ROW Abandonment Rebates and Credits

Rebate of and/or credit against monetary fees charged by the City for abandonment of public right-of-way and contingent upon funding availability. Rebates payable after City issues a Certificate of Occupancy; credits are offset against the costs of constructing certain negotiated public improvements which are not otherwise required of the developer.

Target Industry Projects

Target Industry projects are generally defined as follows: Brownfields or recycling, medical and high tech. Target Industry projects must be confirmed in advance by the City in order to receive consideration under this designation.

Public Improvement Districts

Special districts created by petition to privately fund public improvements or special supplemental services over and above those provided by City, when such services are supportive of related City investments in capital improvements.

Tax Increment Districts

Special districts funding public improvements (not services) with increased tax revenues resulting from new private development. Tax rates are the same as elsewhere in the City and no added cost to private parties is incurred.

To obtain more detail on these programs, or to inquire regarding other assistance, contact:

Office of Economic Development
Dallas City Hall, Room 5CS
Dallas, Texas 75201
Phone: (214) 670-1685
Fax: (214) 670-0158

Non-Conforming Projects

Non-Conforming projects are considered on a case by case basis for high impact projects, unique developments and competitive situations where projects may receive competing offers of incentives. These projects require a simple majority vote of City Council in Southern Dallas and a 3/4 vote of City Council in the CBD and in Northern Dallas.

High Impact Project - Projects creating/retaining a minimum of 500 jobs with substantial capital investment. In addition, this status may be granted to major projects by Fortune 500, Manufacturers 400 or Global 500 listed firms.

Unique & Special Developments - Projects which have a metro-wide market area, and bring significant outside income into the City's economy and/or non-residential projects located in blighted areas as defined by the reinvestment zone provision in the Property Redevelopment and Tax Abatement Act

Competitive & Retention Projects - In special cases, companies receiving competing offers of incentives or those currently located in the city of Dallas considering a relocation/expansion are eligible to apply for financial incentives with negotiable terms. Incentives may be offered in specific cases to 'match other offers.' Companies may be required to demonstrate competing cities, offers, land/lease costs, taxes at current rates, utility rates, relocation costs, other significant costs and 'gap' to be filled, etc.

Other Sources of Financial Assistance

Grants and Loans

For qualified and approved businesses, the City will pursue programs for making loans and grants to promote local economic development.

Business Development Grant Program - Companies considering a relocation/expansion in the city of Dallas may be eligible for a front-end funded grant in lieu of a tax abatement or a grant to defray project costs such as: land purchase, building costs, loan guarantees, training costs, relocation costs. Grants will be considered on a case-by-case basis and are subject funding limitations. Companies will be required to meet eligibility requirements of the Public/Private Partnership Program.

Local Government Corporation (LGC) Grant Program - The City of Dallas will consider making grants from its general fund to a LGC, subject to annual appropriation of funds and the approval of the Dallas City Council. These funds will be restricted to the payment of project costs, including the payment of debt service on any bonds issued by the LGC to finance project costs, and the funding of any necessary reserve fund or capitalized interest accounts and the payment of the cost of issuance of bonds.

Enterprise Zone Project Designation (State)

For qualified and approved businesses of 100 or more new jobs to the state of Texas, the City may apply to the State to rebate sales and use taxes paid, on a per-job basis. Also available is a reduction on a firm's franchise tax.

Freeport Exemption

The City offers property tax exemption on eligible goods 'in transit-those to be sent out of state within 175 days from acquisition to be assembled, stored, manufactured, processed or fabricated. Oil and natural gas do not qualify.

Foreign Trade Zone

Allows duty-free importing of foreign-made components into the Zone, where they may be assembled, manufactured, processed or packaged. Duties are charged only when products are subsequently distributed into the U.S. market- if they are shipped to international markets, no duty is levied.

Small & Minor Business Loans

Direct loans for property acquisition, construction, equipment and working capital may include management and technical assistance. For more information, contact Southern Dallas Development Corporation at (214) 948-7800.