

Case Study

Property Enhancement Program - Forney, TX

Overview

A program providing incentives to attract private business investment to revitalize a downtown district

Program Highlights

- Titled “*Downtown Revitalization Initiative*”
- 3 participants since program inception in 2010
- \$1.5M in real estate, restoration, renovation (RRR) to date
- Funding: City of Forney, FEDC Type B, and revenue bond

Regulatory Aspects

- FEDC / City Council and P&Z boards defined priorities
- Began with R.E. investment of targeted downtown property
- Reviewed by FEDC Board, ARB, P & Z and City Council
- Bond through Financial Advisor / Counsel, reviewed by AG
- Project #1: 100% RRR awarded to established E-businesses / non-profit arts partner to establish market with minimal risk
- Project #2: 80% RRR awarded for local retail relocation / expansion to neighboring building to establish synergy
- Project #3: 70% RRR awarded to established restaurant to neighboring building to solidify consistent daily market

Example Projects

- #1: 2011: Crumbzz Tasting Pavillion, 212 S. Bois D’Arc
- #2: To open Q1 2014: Groovy’s 211 S. Bois D’Arc
- #3: To open Q2 2014: Zanata Restaurant 215 S. Bois D’Arc



Benefits of Program

- Establish destination and public support through seed business and public participation
- Established market interest and awareness of the district from local and regional clientele
- Fostered expansion and re-investment from local business
- Created interest from outside investment from established business with name recognition
- Created local investment – other stagnant buildings being purchased, leased and improved

Lessons Learned

- Difficult to ease public officials into the first big risk towards making the vision a reality
- Must have established relationships with the building owners to negotiate properties
- Must have buy-in from the businesses / property owners
- Many unexpected costs in renovation of old buildings – plan a large % for contingency fund
- Non-profit board offers unique challenges – additional approvals and financial risk
- Must be willing to be transitional property manager
- Fiscal ROI TBD - catalyst project still tracking impact

Local Contact

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