

**RESOLUTION NO. 22-55**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS,  
ADOPTING A CITY COUNCIL POLICY FOR A GREAT HOMES UPDATE  
ECONOMIC DEVELOPMENT PROGRAM.**

WHEREAS, the City of Sugar Land's ("City") Two-Year Action Plan ("Plan") outlines the strategic direction of the City for the next three to five years; and

WHEREAS, the Plan, which is adopted annually by the City Council, outlines key objectives and strategies for the future of the City; and

WHEREAS, in addition to focus area objectives and guiding statements, the Plan outlines all-in initiatives which are the top and most important priorities for the City and the future of the community; and

WHEREAS, residential reinvestment has been identified as a key priority that will help promote economic development in the City and achieve the purposes stated in the Plan; and

WHEREAS, the City would like to incentivize residential homeowners in the City to engage in home improvement projects that rehabilitate, enhance, or refurbish the exterior of residential property, by providing some reimbursement for such projects; and

NOW THEREFORE, the City Council wishes to adopt a policy establishing an economic development program to promote local economic development by reimbursing homeowners for projects that rehabilitate, enhance, or refurbish the exterior of residential property; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL  
OF THE CITY OF SUGAR LAND, TEXAS:**

**Section 1.** That the City Council adopts the following policy:

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**CITY COUNCIL POLICY  
FOR A GREAT HOMES UPDATE  
ECONOMIC DEVELOPMENT PROGRAM**

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**A. Purpose.**

The purpose of this Policy is to:

1. Establish an economic development program as authorized by Section 380.001 of the Texas Local Government Code; and

2. Provide for the City's reimbursement of funds to qualifying projects to promote local economic development.

**B. Policy.**

The City may enter into agreements with Applicants for Reimbursement Incentive payments for Qualifying Projects.

**C. Definitions.**

*Applicant* means a person who submits an Application to the City.

*Application* means the form developed by the City and submitted by an Applicant, whereby the Applicant is seeking reimbursement for a Qualifying Project under this Policy.

*City* means the City of Sugar Land, Texas.

*Policy* means this City Council Policy for a Great Homes Update Economic Development Program.

*Program* means the Great Homes Update Economic Development Program created by this Policy.

*Program Staff* means those City employees, contracted employees or consultants charged with implementing and administering the Program.

*Property* means an individual parcel of land, with a unique identifying address, owned by an Applicant and located within City limits.

*Qualifying Project* means a project that meets the requirements of this Policy and is found to be eligible for a Reimbursement Incentive and that promotes local economic development through projects that rehabilitate, enhance, or refurbish the exterior of residential property.

*Reimbursement Incentive* means the funds the City pays to an Applicant under this Policy for a Qualifying Project, excluding permitting fees and sales tax.

**D. Reimbursement Incentive Overview.**

1. The maximum Reimbursement Incentive that an Applicant is eligible to receive is Ten Thousand and No/100 Dollars (\$10,000.00) per Property.
2. Subject to the \$10,000 maximum above, the Reimbursement Incentive is limited to either ten percent (10%) or twenty-five percent (25%) of the total cost to an Applicant for the Qualifying Project, depending on which eligibility criteria is met, excluding permitting fees and sales tax.

3. An Applicant may obtain quotes and take steps to require any and all of the information required for an Application in Section I below. However, in order to be eligible for a Reimbursement Incentive, no actual work may have been started.
4. Applicants will be required to enter into an agreement with the City that outlines the terms for receiving a Reimbursement Incentive. Additionally:
  - a. Work on a Qualifying Project must both start and be fully completed *after* the agreement is signed, or the project will be wholly disqualified;
  - b. Projects started prior to the agreement being signed will not be reimbursed; and
  - c. If the Applicant is not the sole owner of the Property, any and all other owners will be required to also sign the agreement.
5. No Reimbursement Incentives will be given for partially completed projects. All improvements must be fully completed.

**E. Property Requirements.**

1. All single-family residences located within the City are eligible for participation in the Program. Townhomes, multi-family buildings, and condominiums are not eligible under this Policy.
2. Any occupancy and ownership qualify (i.e. the Property may be owner-occupied, tenant-occupied, or vacant).
3. Property taxes must be current.
4. The Property must be covered by a valid and current homeowner's insurance policy (including flood insurance if applicable).

**F. Reimbursement Incentive Amounts.**

1. Qualifying Projects for single-family residences located within the City that meet the project eligibility requirements in Section G below are eligible to receive a Reimbursement Incentive of up to ten percent (10%), but not to exceed \$10,000.00.
2. Qualifying Projects that both meet the eligibility requirements in Section G below and meet the following additional criteria are eligible to receive a Reimbursement Incentive of up to twenty-five percent (25%), but not to exceed \$10,000.00:
  - a. The Fort Bend County Appraisal District ("FBCAD") appraised market value of the Property must be less than Three Hundred Seventy Thousand and No/100 Dollars (\$370,000.00), based on the latest certified appraised values from FBCAD; and

- b. The property must have been constructed prior to 1995.

#### **G. Project Eligibility.**

In order to qualify for a Reimbursement Incentive under this Policy, projects submitted by Applicants must meet the following criteria:

1. The project must be for exterior improvements, subject to certain ineligible improvements which are stated in Section H below.
2. The minimum total project cost must be greater than Four Thousand and No/100 Dollars (\$4,000.00), excluding sales tax and permitting fees
3. Various types of exterior projects may be combined to meet the minimum total project cost amount. For example, a project could include the addition of new exterior siding, trim, windows, and painting
4. Projects eligible for a Reimbursement Incentive include, but are not necessarily limited to:
  - a. Exterior painting;
  - b. Addition of new exterior siding, soffit, or trim;
  - c. Replacement of exterior siding;
  - d. Window replacement;
  - e. Garage door replacement;
  - f. Replacement or expansion of driveway and/or front path;
  - g. Fence replacement;
  - h. Addition, expansion, or replacement of front porch/patio;
  - i. Installation of exterior accent lighting features; and
  - j. Landscaping projects such as tree planting and/or the replacement/addition of turf, shrubs, plants, and trees. Provided, however landscaping projects must be substantially accompanied by another type of qualifying project to be considered and the cost of the landscaping project cannot exceed the cost of the other project. For example, a \$3,000 project could be accompanied by a \$1,000 landscaping project to meet the minimum \$4,000 minimum project cost threshold.
5. In addition to the foregoing, Applications will be considered by the Director of Economic Development or designee for other types of exterior projects that are found to rehabilitate,

enhance, or refurbish the exterior of residential property.

6. Roof replacement projects are also eligible for a Reimbursement Incentive. However, only ten percent (10%) of the roof replacement project cost will count towards the total project cost. For example, a roof replacement with a total replacement cost of Twenty Thousand and No/100 Dollars (\$20,000.00) will only count for Two Thousand and No/100 Dollars (\$2,000.00) towards the total project cost eligible for a Reimbursement Incentive. Additionally, roof replacement projects must be substantially accompanied by another type of qualifying project to be considered and the cost of the roof replacement that counts toward the total project cost cannot exceed the cost of the other parts of the project.
7. All projects must adhere to applicable deed restrictions and restrictive covenants. Applicants are solely responsible for obtaining any HOA/POA approvals needed for a project, as well as any permits required by the City or any other governmental entity.

#### **H. Ineligible Projects and Non-Reimbursable Expenditures.**

The following projects are deemed ineligible to receive a Reimbursement Incentive under this Policy.

1. Interior home projects;
2. New pools, hot tubs, spas, and/or water features;
3. Detached accessory structures;
4. Carports;
5. Exterior improvements or other items that are the responsibility of a homeowners association, property owners association, management company, or other third-party;
6. Any project started before receiving a notice to proceed by the City (this includes deposits, down payments and purchased items); and
7. Any project for which an insurance claim has been, or could be, submitted.

In addition to the above, permitting fees and sales tax are not eligible for reimbursement by a Reimbursement Incentive.

#### **I. Application Process.**

1. The following items must be submitted, and subsequently determined to be sufficient by Program Staff, for an Application to be considered complete:
  - a. Completed Application;

- b. Detailed scope of work and/or architectural drawings and/or design renderings of the improvements, reflecting placement, materials, and colors;
  - c. At least 4 color photographs at the level of detail determined by Program Staff of the existing exterior conditions of the project site, including items to be addressed within the scope of work;
  - d. Copy of bid from contractor or material costs documentation (for homeowners not using a contractor);
  - e. Documentation confirming ownership of the Property;
  - f. Copy of the latest appraised value of the Property from FBCAD. This information may be obtained from FBCAD website, at: <https://esearch.fbcad.org/>, or whatever web address FBCAD is using at the time an Application is submitted;
  - g. Proof that property taxes are current on the Property; and
  - h. Proof that the Property is covered by a valid and current homeowner's insurance policy (including flood insurance if applicable).
2. Applications will be reviewed for eligibility when they are determined to be complete by Program Staff.
  3. Once Program Staff have completed their review of an Application, the Applicant will be notified whether or not the project has been determined to be a Qualifying Project.
  4. If a project is determined to be a Qualifying Project, Program Staff will provide the Applicant with an agreement that outlines the terms and conditions that must be met in order to receive a Reimbursement Incentive for the project.
  5. The Applicant may begin work on the Qualifying Project once the agreement has been executed by both the Applicant and the City. If the Applicant is not the sole owner of the Property, all other owners will be required to also sign the agreement.

**J. Payment of Reimbursement Incentives.**

1. After work has been completed on a Qualifying Project, the Applicant must submit a complete reimbursement package to the City. The reimbursement package must include:
  - a. Copies of all permits required to be obtained for the construction or installation of the Qualifying Project;
  - b. Copies of receipts and sufficient supporting documentation showing that all contractors and/or materials have been paid in full for their work on the Qualifying Project. Supporting documentation must include cancelled checks and/or bank statements; and

- c. A letter from the Property owner(s) warranting that the Qualifying Project has been completed according to the requirements of the agreement with the City;
  - d. Detailed color photographs of all completed improvements.
- 2. Receipts and invoices required to be submitted hereunder must, at a minimum, include the invoice date, scope of work, contractor name and contact information (if applicable), cost, and be marked as paid or a zero balance must be indicated. The invoices must clearly indicate the nature of the expense and that such expense is related to the Qualifying Project.
  - 3. Applicants must submit a complete reimbursement package within three (3) months from the date the agreement between the Applicant and the City is executed, unless extended in writing by the City, in its sole discretion.
  - 4. Program Staff will review reimbursement packages for completeness within thirty (30) days from receipt. If an Applicant is missing information, Program Staff will notify the Applicant in writing and provide them an additional thirty (30) days to provide any missing or incomplete information. If the reimbursement package is not complete at the end of that additional 30 days, the City will have no obligation to pay the Reimbursement Incentive.
  - 5. The City will pay the Reimbursement Incentive no later than three (3) months after a reimbursement package for a Qualifying Project has been determined to be complete by Program Staff.
  - 6. If the final costs for a Qualifying Project are less than the amount stated in the Application or the agreement with the City, then the City has the right to reduce the awarded Reimbursement Incentive amount to 10% or 25% of the actual project costs.

**K. Additional Program Requirements.**

- 1. Only one Reimbursement Incentive shall be awarded for a Property. The Reimbursement Incentive is personal in nature and is therefore not transferrable or assignable.
- 2. Eligibility for a Reimbursement Incentive is based on current funding available for the Program. Lack of funding may result in the rejection of otherwise eligible Applications.
- 3. Decisions on the eligibility of Applications and projects under this Program will be determined by the City, in its sole discretion.
- 4. Successful Applicants that enter into an agreement with the City for a Reimbursement Incentive will be required to indemnify, defend, and hold the City, as well as any of its officers, directors, employees, harmless from any claims, damages, losses and expenses, including but not limited to attorneys' fees, arising from the agreement.

5. Successful Applicants that enter into an agreement with the City for a Reimbursement Incentive will be required to grant the City an unrestricted right to use, for any lawful purpose, any photographs or video footage taken of the Qualifying Project, owned by the Applicant and to which Applicant has the authority to grant such permission, and to use the Applicant's name in connection therewith if the City chooses.
6. The City may impose any other conditions in an agreement with an Applicant that the City deems necessary to promote the purposes of this Policy and the Program.

**L. Program Funding.** Each fiscal year, subject to the discretion of the City's City Council as to whether or not to fund the Program for that year, the City may choose to adopt a budget that includes funds to be used for Reimbursement Incentives under this Policy. Funding is subject to the availability of funds within the City's budget and will be used in accordance with applicable State law. If all funds in a given year are spent or committed to Qualifying Projects, the City may, but is not required to, appropriate additional funds to allow additional Qualifying Projects to be funded.

PASSED AND APPROVED on \_\_\_\_\_, 2023.

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Joe R. Zimmerman, Mayor

ATTEST:

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Thomas Harris, III, City Secretary

APPROVED AS TO FORM:

*DAnn Shea Smith*