

## **RESOLUTIONS**

**Resolution No. SLDC-R-22-03: The Board of Directors of  
The Sugar Land Development Corporation Adopting a  
Policy on Granting Economic Development Incentives for  
Retention of Office Headquarters**

***Elizabeth Huff***

***Director of Economic Development***

# Office Market – Sugar Land

## MARKET METRICS

VACANCY RATE

**17.4%**

Prior Period 17.0%

MARKET RENT/SF

**\$29.30**

Prior Period \$29.17

VACANT SF

**1.5M**

Prior Period 1.5M

INVENTORY SF

**8.9M**

Prior Period 8.8M

# New Headquarter Office Incentive

**New Incentive:  
\$6,000/job**

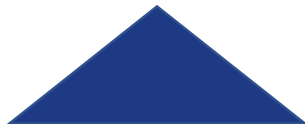
Retention Incentive \$6,000 per primary job
Minimum of 50 primary jobs
Existing regional or national headquarter office lease within City limits
Renew lease within City limits for 5-10 years
Minimum of \$1M in capital investment

# Incentive Comparison

Retention Incentive \$6,000 per primary job	Direct Incentive
Minimum of 50 primary jobs	Minimum of 100 primary jobs
Existing regional or national headquarter office lease within City limits	An average annual salary of 50% of the City's average Household Income
Renew lease within City limits for 5-10 years	Lease a minimum of 25,000 SF
Minimum of \$1M in capital investment	Minimum of \$3.25M in capital investment
	"A" Credit Rating
	10.5% Rate of Return



# Clarifying Questions for Staff



## Recommendation

- Staff recommends approval of Resolution No. SLDC-R-22-03 adopting a policy on granting an economic development incentive for retention of office headquarters.





# Board Motion & Discussion

