

Reinvestment Opportunity

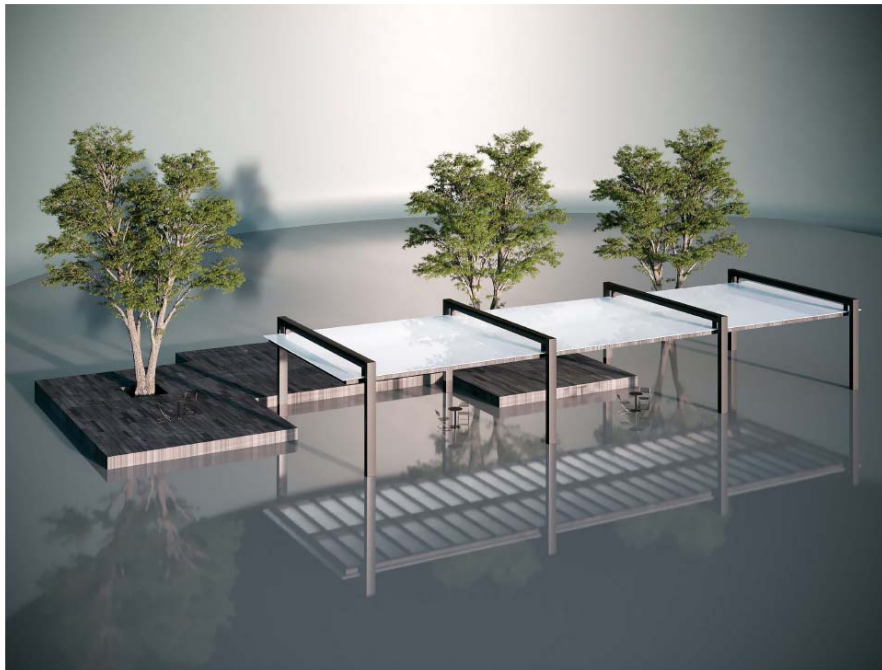
- **Planned Community Developers (developer) and Lionstone Investments (owner of Sugar Land Town Square) have expressed an interest attracting more individuals during day-time hours to support Town Square retail**
- **Developer / Owner has suggested improvements to publically owned Plaza**
- **Goals include:**
 - **Improve experience of Sugar Land Town Square shopping**
 - **Increase sales with existing retailers**
 - **Heighten Sugar Land Town Square's reputation among prospective tenants**
- **Town Square project has had significant economic impact on the City through various tax revenues – impact that will far exceed public investment made in infrastructure and conference center**



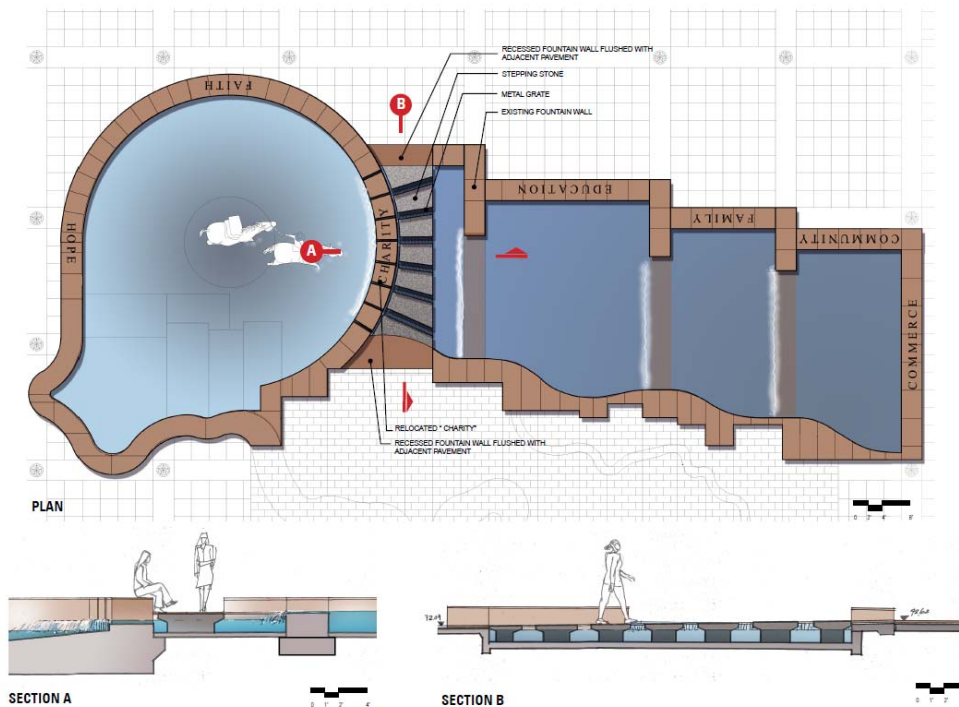
Proposed Plaza Improvements



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Public-Private Partnership

- **Developer/owner has proposed the project be developed as a public-private partnership where SL4B would provide up to \$750,000 or half (whatever is lower) of the estimated \$1.5M improvements**
- **Developer and Property Owners' Association would provide the upfront funding**
- **SL4B contribution would be made from FY2020 – FY2022**
 - **No interest is paid from now until FY2020**
 - **6% annual interest would be required in FY2021-FY2022**
- **City anticipates payment by FY2020 as SL4B projected to have over \$12M in Reserve for Opportunities**
- **Funds are contingent upon budget authorization by City Council in future years**

Staff Recommendation

- **Staff recommends moving forward with the project**
- **Rationale for public investment includes the following:**
 - **Town Square POA and PCD have already invested \$9.5M in overall Town Square maintenance since 2004, a significant portion on public assets**
 - **Project would be first substantial capital reinvestment – needed in order to ensure Town Square keeps up with new retail/office development in Sugar Land**
 - **“Protect Strength of Current Economic Generators” and “Revitalize/Redevelop Older Commercial Center: Appearance and Business Vitality” listed in City Council mid-term priorities**

City Council and LGC Action

- Staff is recommending the City Council approve the following documents in order to move forward with the project:
 - Consent Agreement (City, LGC, SL4B)*
 - Parties agree to allow SL4B to undertake project
 - City agrees that improvements are contingent upon Council providing budget authorization
 - LGC agrees to installation, construction and ownership of Plaza improvement
 - Amendment to Plaza Administration Contract (City, LGC, Town Square POA)*
 - POA to operate and maintain Plaza improvements and sign in public ROW
 - Improvements meet Town Square Development Guidelines
 - Sign meets operational guidelines
 - Electronic Sign Donation Agreement (City, Lionstone)
 - Developer donates signs to City
 - City agrees to placement of signs
- *Earlier today, the Sugar Land Town Square Development Authority (LGC) considered these agreements for approval

Feedback and Next Steps

- Project has already received positive support from the Economic Development Committee, as well as the SL4B on December 20th and City Council on January 2nd
- At the January 2nd workshop, City Council members expressed a desire to increase creativity/artistic elements of the proposed furniture in the Plaza
 - PCD is working with their landscape architect to come up with an option that meets this feedback. City Council will be notified of the furniture design at a later date through FYI memo.
- Staff recommends approval on all three agreements
- SL4B will act on February 7 approving Development Agreement for project
- Work will begin immediately; majority of project will conclude by mid April in order to have minimal impact on events



Sweet ♦ Real ♦ Refined

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SUGAR LAND