

# WORKSHOPS

## REVIEW AND DISCUSSION

**“Reserve for Opportunities”  
Funding and Priority Projects  
FY18 and Future Years**

*Phil Wagner*

*Director of Economic Development*

# Outline of Presentation

- **In preparation for Budget workshops and Fall Retreat:**
  - **Review City Council's Top Priorities for Reserve for Opportunities Funding from previous Fall Retreat**
  - **Review Other Short-Term Projects Requiring Funding**
  - **Review Additional Opportunities for Future City Council Discussion**



# Top Priorities



# **Top Priorities from 2016 Fall Retreat**

**TIRZ No. 4 Structured Parking and Hotel/Conference Center**

**Central Unit Prison Infrastructure Projects**

**Festival Site Parking Lot**

**Town Square / TIRZ No. 1: Activation Enhancements**

# Central Unit Prison

## Development of 259-acre site

- 121-acre business park
- 95-acre enhancement to the SLRA
- 22-acre public safety training center
- 21-acre wetland property

**Light Industrial space in Sugar Land in short supply/high demand**

## FY18 Project: Demolition of approximately 100 structures on former prison site

- Includes demolition of structures and pavement, asbestos abatement, utility capping and removal

**Budgeted cost: \$1.4M**

**Funding source: SL4B / SLDC**





# Central Unit Schedule

- **Fall 2017:**
  - Commence demolition work
  - Finalize funding for Owens Road
  - Receive direction on future of Main Building
  - Commence negotiations with Tract 2 on Development Agreement
- **Summer 2018**
  - Finalize Development Agreement on Tract 2
  - Complete MOU with selected development partner on Central Unit
  - Completion of demolition work
- **Fall 2018:**
  - Finalize Development Agreement for Central Unit developer regarding property acquisition, infrastructure, environmental remediation, site layout
  - Finalize drainage planning
  - Commence design of Owens Road
- **Future Years (2019 – 2020)**
  - Special District creation
  - Road construction
  - Environmental remediation
  - Water, sewer, and drainage construction



# TIRZ 4 Structured Parking

## Structured Parking:

- Needed to accommodate Smart Financial Centre, Hotel/Conference Center, and office/retail development
- Preferred location is off the City's site in order to continue fully utilizing Smart Financial Centre parking
- Location currently being determined through land planning effort
- Management District to operate
- No. 1 priority for TIRZ No. 4

## Estimated cost: \$37.5M - \$50M

- Estimated total amount needed for 2,500 spaces
- Parking will be developed in multiple garages

## Funding source: TIRZ No. 4 / Developer





# TIRZ 4 Structured Parking Schedule

- **Fall 2017:**
  - Complete Tract 5 master plan work
- **Winter 2017/2018:**
  - Complete public-private partnership agreement with TIRZ No. 4 / adjacent developer on structured parking
- **Spring 2018:**
  - Initiate design, layout work for first parking garage
- **Fall 2018:**
  - Complete final design work
- **Future Years (2019 – 2020):**
  - Construction of parking garage





# Hotel / Conference Center

## Hotel/Conference Center:

- 2014 Feasibility Study
- 350 room hotel / 35,000 – 50,000 SF Conference Center Space
- Tract 5 Site determined to be viable location

## Estimated total cost: \$100M+

- Assumes 50,000 SF conference center
- Some public financing is likely needed for conference center facility

Public funding source: State sales and HOT tax rebate, local HOT rebate



# Hotel / Conference Center Schedule

- **Fall 2017:**
  - Complete Tract 5 master plan work
  - Determination on additional public funding (timing of additional 2% HOT tax)
- **Winter 2017/2018:**
  - Begin competitive selection for Hotel developer
- **Spring 2018:**
  - Initiate legal services contract for MOU, Development and Lease agreements
  - Development partner selection
  - Approve MOU
  - Secure additional public funding, if necessary
- **Summer 2018:**
  - Completion of Development / Lease Agreements
- **Fall 2018:**
  - Initiate design
- **Future Years (2020 – 2022):**
  - Construction of Facility





# Paving of Festival Site Fairweather Parking

## Phase 1 paving of current grass parking area

- 800-1,400 asphalt spaces
- Does not include 600 spaces to the south
- Consideration to partnership with UH/Fort Bend County on portion of lot

**Estimated cost: \$3.4M - \$5.3M**

**Funding source: SL4B**

**Possible timing: FY20**

- UH/FBC may begin sooner on their portion provided funding is identified





# Sugar Land Town Square Improvements

**Possible cost-sharing enhancements to update Town Square, drive retail traffic**

**Estimated cost: TBD**

**Funding source: SL4B**

- Tax increment available in TIRZ No. 1 – above minimum required payments to economic development corporations for Town Square infrastructure
- Direct project with SL4B is more efficient – same impact on economic development corporations

**Possible timing: City repayment schedule to developer to be negotiated**

- Anticipated in out year, as funds become available





# High Priorities



# Imperial Market Support

**Infrastructure reimbursement and cost sharing for certain regional improvements**

- Main Street Roundabout
- Brooks Street Improvements

**Additional consideration for rebate of project generated sales / hotel occupancy tax**

**Estimated cost: \$400,000 (infrastructure)**

**Funding source: SLDC, SL4B, HOT, Chapter 380 rebates**

**Possible timing: City repayment schedule to developer to be negotiated**







# **Additional Projects Requiring Short-Term Funding**



# Entrance Sign for Sugar Land Business Park

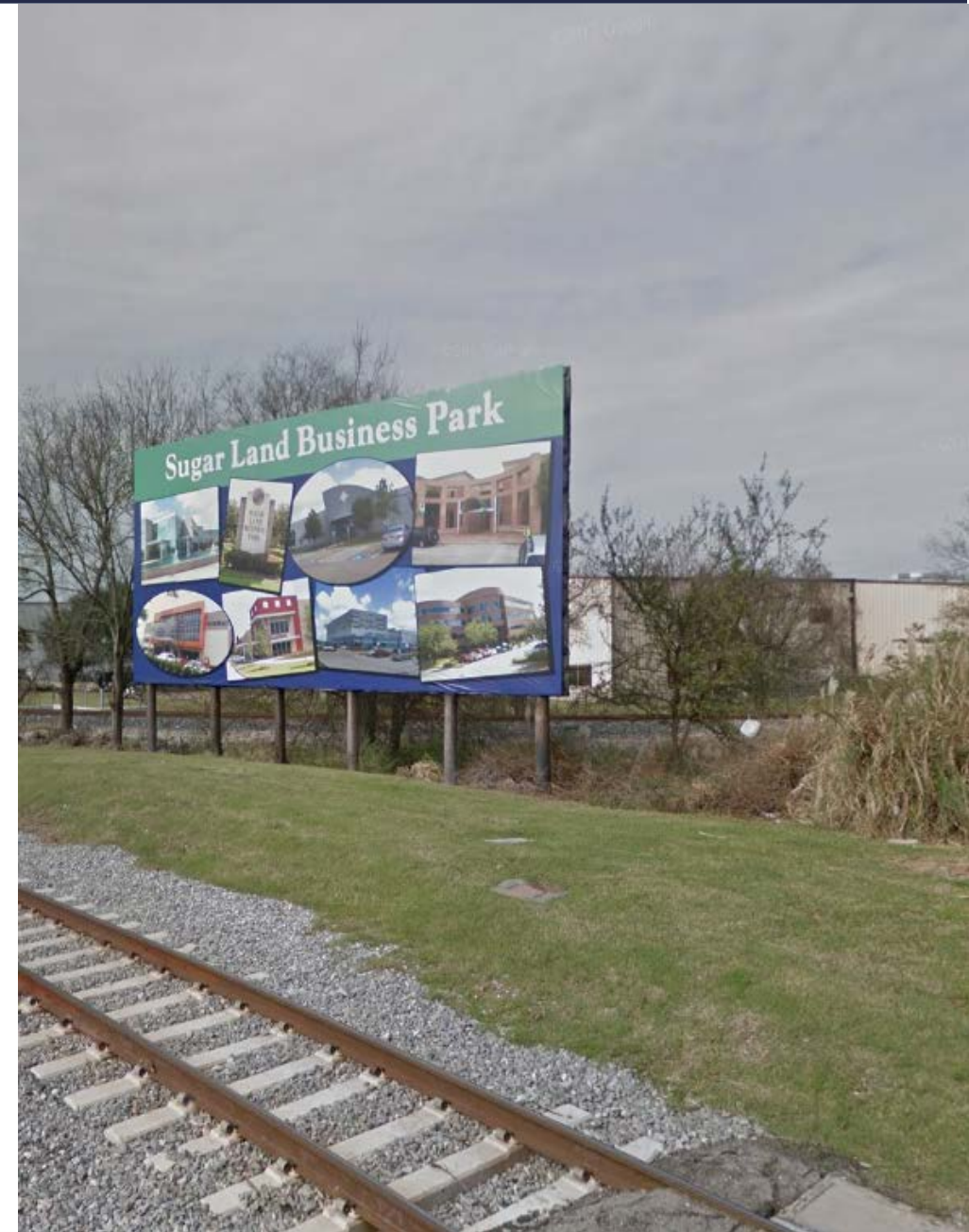
**Replace and enhance entry signage as complement to Dairy Ashford widening project; serves as landmark for City's industrial park**

**Estimated cost: TBD**

- Based on scope, cost sharing

**Funding source: SL4B / SLDC**

**Possible timing: FY18 or early FY19**



# Possible Mobility Bond Projects

## Owens Road

- Secondary access to Central Unit business park
- Serves Tract 2
- Connection to FM1464 in Fort Bend County

## Industrial / Reed Intersection

- Reconfigure and restructure existing intersection
- Complement existing improvements to Industrial Boulevard

## Estimated cost (City's share)

- Owens Road - Approx. \$5.7M
- Industrial/Reed – Approx. \$2.4M
- Cost share, project eligibility to be determined

## Funding source: SLDC / SL4B/ Developer / District

## Possible timing: FY19 design / FY20 earliest construction





# Wayfinding Signage

## Enhancements to existing Wayfinding Signage program

- Public Works has identified existing signs to be modified/replaced and expansion locations for new signs
- New locations include:
  - Festival Site
  - Smart Financial Centre
  - Cullinan Park

**Budgeted cost: \$300,000**

**Funding source: SL4B**

**Timing: Recommended in FY18 CIP**



# Funding Capacity

Reserve for Opportunities	FY18 Budget	FY19 Estimate	FY20 Estimate	FY21 Estimate	FY22 Estimate	FY18 –22 Total
SL4B	950,000	1,450,000	9,650,000	2,000,000	2,600,000	16,650,000
SLDC	--	400,000	4,650,000	1,400,000	1,700,000	8,150,000
Total	\$950,000	\$1,850,000	\$14,300,000	\$3,400,000	\$4,300,000	\$24,800,000

Tax Increment Reinvestment Zone No. 4	FY18 Fund Balance - Estimate
TIRZ No. 4	\$2,020,000



**Additional Opportunities - Not Yet  
Defined**





# Additional High Priority Projects

Possible Project	Possible Funding Source
Destination Entertainment / Retail Venues (FY19 Strategic Project)	SL4B, Ch. 380
Targeted Destination Events (FY18 Strategic Project)	HOT
Capacity for Future UHSL Support	SL4B
Community Cultural Arts Venue	SL4B / HOT

*\*Does not include other priorities that are not from restricted revenues (including Parks Bond Projects and the Public Safety Training Center)*

# Legacy Foundation Projects

Possible Project	Possible Public Funding Match
TIRZ No. 4 Plaza Pavilion	SL4B, TIRZ No. 4, HOT
Memorialization of Sugar Land Memorial Park	SL4B, HOT
Sugar Land Heritage Foundation Museum Exhibits	HOT
Extra Capacity for Animal Shelter (Future Project)	TBD
Signature Art for Smart Financial Centre (Future Project)	SL4B, TIRZ No. 4, HOT
Additional Public Art (Future Project)	SL4B, HOT



# Next Steps



# Next Steps

- **Short Term Projects:**
  - **Discussion on outlined plans**
- **Longer Term Projects**
  - **Further refinement / prioritization at Fall Retreat**
- **Legacy Foundation Projects**
  - **Develop project plans, pursue as funding becomes available**



# Next Steps

<u>Project Budgeted in FY18</u>	Cost
Central Unit Demolition	\$1.4M
Wayfinding Signage	\$300,000

<u>Short Term Project Moving Forward - Funding Being Reserved</u>	Estimated Cost	Projected Timeframe
Entrance Sign for SLBP	\$150,000	FY18
Parking Garage	TBD – TIRZ 4	FY19-FY20
Hotel/Conference Center	TBD	FY19 – FY21
Festival Site Parking – Phase 1	\$3.4M - \$5.3M	FY20
Mobility Bond Projects	\$8.1M (Estimated City Share)	FY20
Imperial Market Infrastructure	\$400,000	TBD
SLTS Improvements	TBD	TBD

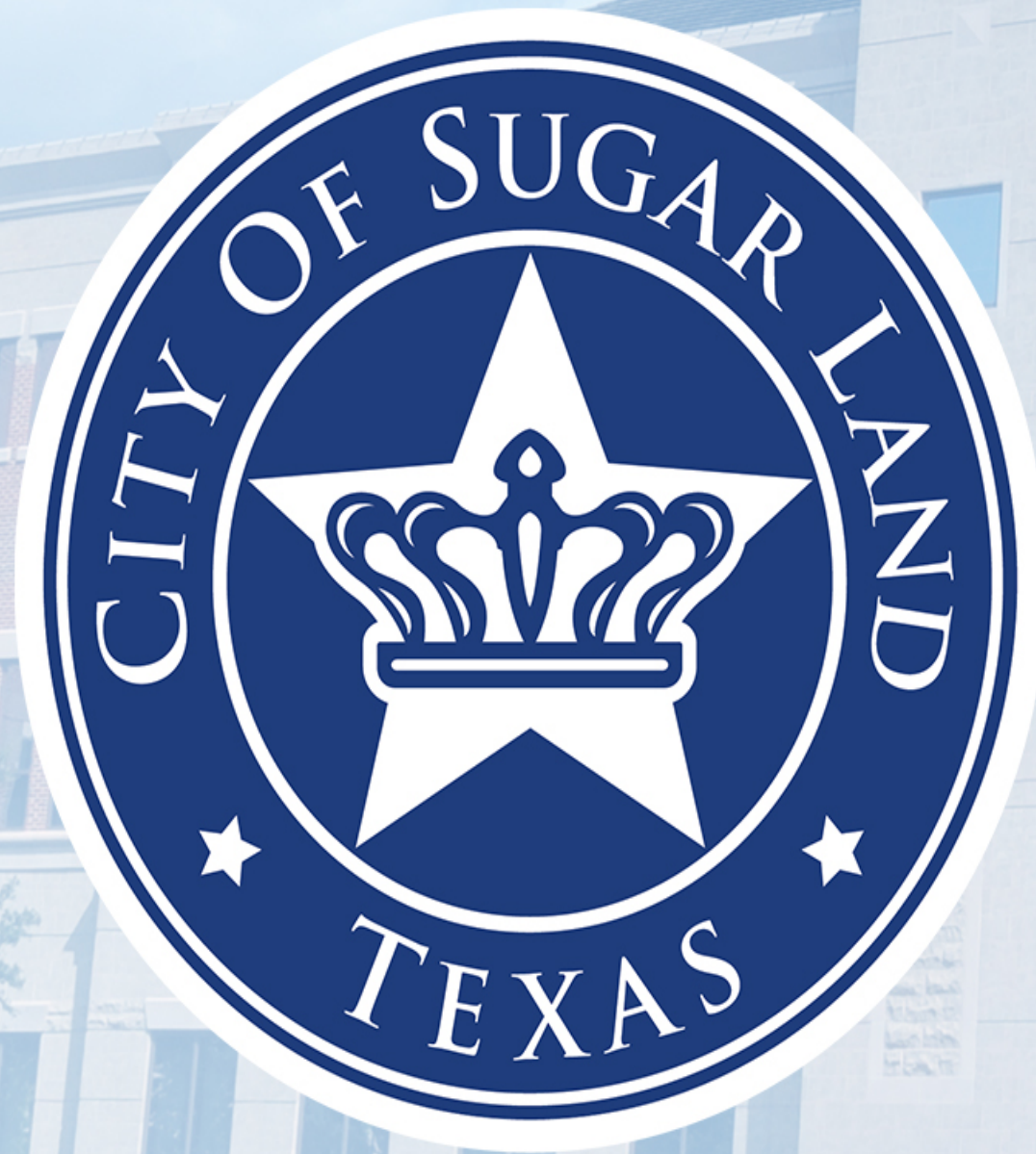
## Projects Requiring Further Refinement/Prioritization at Fall Retreat

- Destination Entertainment / Retail Venues
- Targeted Destination Events
- UHSL Support
- Community Cultural Arts Venue
- Legacy Foundation Projects



**Questions?**





CITY OF SUGAR LAND



NEXT  
CITY COUNCIL  
MEETING

August 01, 2017