

## Background

- Sugar Land Town Square has served as the mixed-use center for the community since 2003
- Property includes:
  - 560,000 SF Office
  - 240,000 SF Retail
  - 300-room hotel with 26,000 SF conference center
  - 167 residential units
  - 3 parking garages
  - City Hall
  - 1.1-acre Plaza
- Town Square project has had a significant economic impact on the City, through various tax revenues – impact that will far exceed public investment in infrastructure and conference center



## Town Square Plaza

- Plaza has served as a community gathering place for events
- Last year, over 150,000 attendees at 270 events
- Events include municipally sponsored events, as well as concerts, talent shows, movies and watch parties, children's events, exercise classes and more
- Most events occur on evenings or weekends



## 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**
- **While Plaza itself is publically owned, private developer / owner has suggested improvements**
- **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**
- **Wende Lewis-Buckley of Planned Community Developers will review the proposed improvements**



# Proposed Plaza Improvements





# Proposed Plaza Improvements

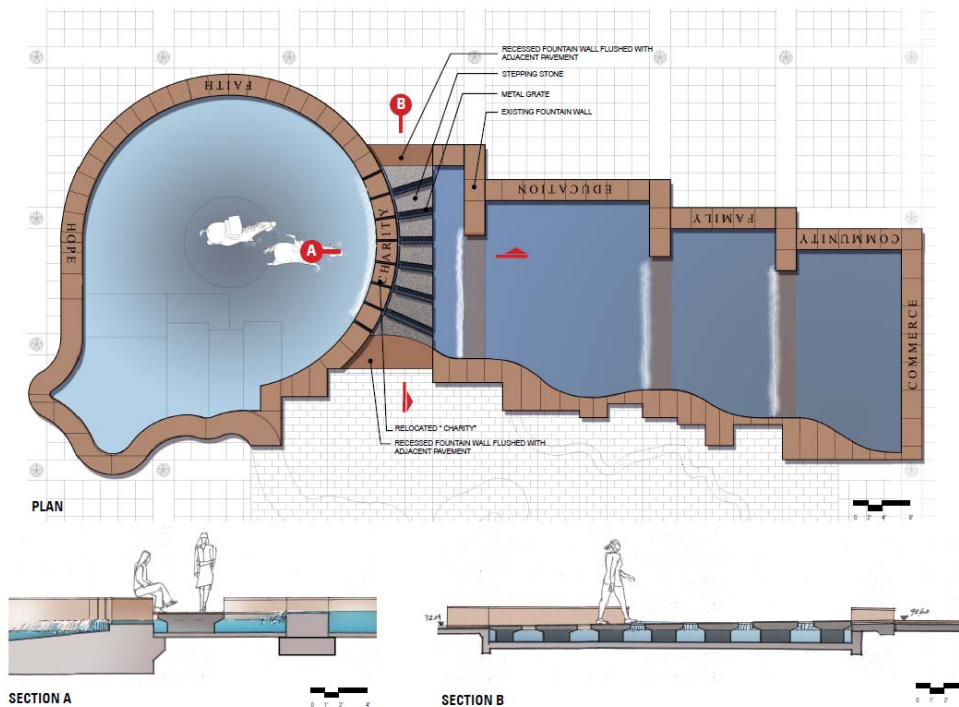


# Proposed Plaza Improvements



**SUGAR LAND TOWN CENTER / FURNITURE EXHIBIT**

# Proposed Plaza Improvements



## 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, of the estimated \$1.5M improvements
  - Privately, owner would fund \$350,000 and Town Square Property Owners' Association would fund \$400,000
- SL4B funds could be repaid through FY2020, without interest, or in FY2021 or FY2022 with 6% annual compounded interest. Full repayment would be necessary by 2022.
- SL4B projected to have over \$12M in Reserve for Opportunities by FY2020



## **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

- The City Council and the Town Square Development Authority (LGC) would be required to execute 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
  - Marquee Donation Agreement (City, LGC, Lionstone)
    - Developer donates signs to City
    - LGC agrees to placement of signs

## Next Steps

- Project has already received positive support from the Economic Development Committee as well as the SL4B on December 20<sup>th</sup>
- Receive feedback from City Council at tonight's workshop
- City of Sugar Land and Sugar Land Town Square Development Authority will be required to approve the following documents at a future meeting:
  - Consent Agreement
  - Amendment to Plaza Management Contract
  - Marquee Sign Donation
- SL4B will hold Public Hearing, consider Funding Resolution for Project
  - Resolution includes Consent Agreement, Development Agreement
- Developer desires approval in mid January; to conclude project by early April in order to have minimal impact on events
  - If City Council is supportive, staff proposes City/LGC action on 1/16, SL4B on 1/17



Sweet ♦ Real ♦ Refined

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**SUGAR LAND**