

Regional and Neighborhood Activity Centers Redevelopment Implementation

Abridged Assessment and Recommendations Report

Clarion Associates

Contents

| | |
|---|----------|
| Introduction and Summary | 2 |
| Overview of Current Sugar Land Plans and Regulations | 2 |
| Land Use Plan: Regional & Neighborhood Activity Centers..... | 2 |
| Planned Development Process | 3 |
| Other Zoning Tools for Mixed-Use Redevelopment..... | 4 |
| Economic Incentives | 5 |
| Mixed-Use Redevelopment Case Studies | 6 |
| Key Themes and Recommendations | 7 |
| Start with the Land Use Plan | 7 |
| Build on Sugar Land’s Unique Assets | 7 |
| Educate and Build Community Support for Mixed-Use Redevelopment | 8 |
| Bring the Plan to Life: Zone for Mixed-Use | 8 |
| Simplify and Incentivize Redevelopment | 11 |
| Rein in the Planned Development Process | 12 |

INTRODUCTION AND SUMMARY

The City of Sugar Land is exploring potential zoning and economic development tools to encourage redevelopment of the Regional and Neighborhood Activity Center (RAC and NAC) land use categories identified in the City's Land Use Plan.

A project team, comprised of City staff and the consulting firm Clarion Associates, prepared an Assessment Report that describes current applicable Sugar Land zoning regulations, summarizes similar case study communities and feedback from stakeholder interviews, and makes recommendations for how to facilitate mixed-use redevelopment within the activity centers. This is an abridged version of the Assessment Report. Following this introduction, this summary report includes:

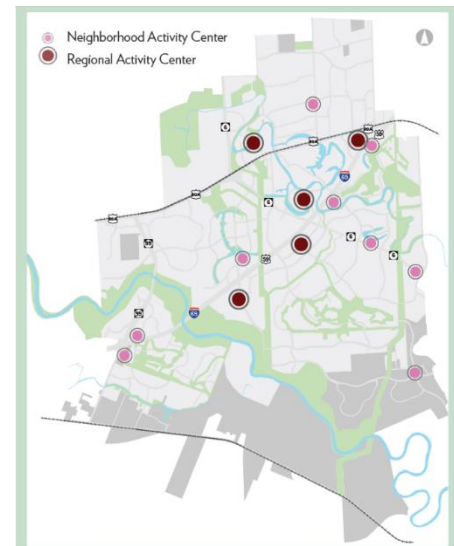
- Overview of relevant current Sugar Land plans and regulations and a description of the mixed-use redevelopment case studies;
- Feedback from stakeholder interviews; and
- Key themes and recommendations for supporting mixed-use redevelopment in Sugar Land, including:
 1. Start with the Land Use Plan
 2. Build on Sugar Land's Unique Assets
 3. Educate and Build Community Support for Mixed-Use Redevelopment
 4. Bring the Plan to Life: Zone for Mixed Use
 5. Simplify and Incentivize Redevelopment
 6. Rein in the Planned Development Process

OVERVIEW OF CURRENT SUGAR LAND PLANS AND REGULATIONS

LAND USE PLAN: REGIONAL & NEIGHBORHOOD ACTIVITY CENTERS

The Land Use Plan (adopted 2018) defines and identifies two different forms of Activity Centers: Regional Activity Centers (RACs) and Neighborhood Activity Centers (NACs). These centers are intended to be "mixed-use, compact, walkable and bicycle-friendly areas with active public spaces" (LUP, p. 40). The Plan identifies and establishes a vision and recommended enhancements for each type of center.

- The five RACs are large commercial and civic hubs meant to serve as unique destinations for both the city and region. They are characterized by their location along regional highways, ample public spaces, and a mix of office, entertainment, retail, residential, civic, and hotel uses.
- The nine NACs are generally aging strip retail centers that primarily serve the surrounding residential neighborhoods. They are characterized by smaller-scale, pedestrian-friendly site design, connections to adjacent neighborhoods, and a mix of retail, service, compact residential and limited office uses that directly support the surrounding residents. In both contexts, the recommended density for multifamily products is three units per developable acre.



Stakeholders: What Does Successful Mixed-Use Redevelopment Look Like?

- Dynamic public spaces where there is “something for everyone”
- Features unique to, historically significant, or associated with the community within which it is located
- Green space or other natural areas
- Well-programmed public and private spaces that offer educational, recreational, and community-oriented events
- Connectivity between the development and surrounding neighborhoods especially for pedestrians and bicyclists
- Pedestrian-oriented building and site design (e.g., wide sidewalks, attractive storefronts, public art)
- Adequate residential density to support commercial activity
- Access to local trail systems or recreational features
- Unique architectural features that tie together all amenities
- Long-term economic and environmental sustainability



PLANNED DEVELOPMENT PROCESS

The current mechanism for reviewing mixed-use development proposals in Sugar Land is the Planned Development district (PD), which is intended to allow development containing uses or a combination of uses in a design that is different than the standards established in the standard zoning districts. The PD district encourages innovative concepts not permitted in standard districts and is intended to provide flexibility in development proposals.

Sugar Land has gone beyond many communities by adopting tailored standards to influence the character of PD districts and increase the predictability of the design of mixed-use developments. Added as part of the 2015 update to the Development Code, the Suburban and Urban standards describe unique requirements for mixed-use development based on the context within which they are being proposed. The suburban standards are intended for development with a horizontal mix of uses, and the urban standards support an urban-style mixed-use development with vertical development and higher residential densities. They were fundamentally introduced as a tool to structure conversations with developers and add some predictability about the end-product (i.e., horizontal versus vertical mixed-use development).

Procedurally, a Planned Development district is established in Sugar Land through a two-step process that requires an initial General Development Plan (GDP) and a subsequent Final Development Plan (FDP). Both GDP and FDP applications require two Planning and Zoning Commission meetings (one public hearing and a recommendation) and two City Council meetings (one public hearing with a first ordinance reading, then a second reading at a subsequent meeting). Additionally, once staff has completed their initial review of the application, there is an optional workshop with the Planning & Zoning Commission that has become standard practice for all PDs. This workshop gives the Planning & Zoning Commission the opportunity to review the development at a preliminary stage and provide feedback that may require adjustments or revisions to the proposal necessary to receive support from the Commission.

Amendments to a GDP or an FDP are reviewed and approved following the same process as the initial plan approval unless it is a minor revision. Minor amendments are modifications that do not significantly

change the square footage of buildings, site layout, building design, or open space and landscape areas and may be approved administratively.

Stakeholders: What are the Strengths and Weaknesses of the PD District?

Stakeholders recognize the benefits of the PD process as a successful tool in producing development that would not be possible using the standard zoning districts and rezoning process:

- There is significant opportunity for community input to ensure a context-sensitive and desirable development for Sugar Land residents.
- The two meetings required before the Planning & Zoning Commission allow for a thorough review where clarifications can be made and errors can be corrected before the project gets to City Council.
- The iterative and constructive process allows for effective collaboration between the developer and staff.

However, as a staff member acknowledged, the current PD process is “good at stopping bad things from happening, but it has been less successful at encouraging good things to happen”. Over time the process has gotten longer and more difficult with a higher level of detail expected earlier in the process. The timing of both PD approvals through the GDP and FDP processes and amendments to PDs can be equally unpredictable and lengthy, making redevelopment or modification to existing plans less appealing to both property owners/managers and developers. Other weaknesses noted include:

- Requiring developers to design buildings without knowing the actual end-users can be expensive and time-consuming and may preclude some developers from submitting an application.
- Current building design requirements (e.g., building materials) result in “Sugar Bland” products.
- Both small and large projects must go before Planning & Zoning Commission and City Council multiple times, while some smaller projects could potentially require less review.
- The process lacks the flexibility necessary to respond to a changing market.

OTHER ZONING TOOLS FOR MIXED-USE REDEVELOPMENT

Aside from the PD district, most of the parcels in the Regional and Neighborhood Activity Centers are zoned Business-Office (B-O), Neighborhood Business (B-1), or General Business (B-2). Generally, the Business zoning districts support the development of office, retail, and other commercial uses in particular contexts, such as neighborhoods and commercial corridors, throughout the City. Although these districts allow a range of uses, they maintain relatively suburban bulk regulations (large minimum setbacks, restrictive maximum building heights, and significant required open space) that do not work in a mixed-use redevelopment context, particularly for vertical mixed-use products. Additionally, there are no direct development incentives (parking reductions, additional sign allowance, etc.) available for proposed developments in these districts.

Stakeholders: What Are the Barriers to Redevelopment in Sugar Land?

In order to make effective recommendations to support the implementation of the RACs and NACs, it is essential to understand the current barriers discouraging, limiting, or preventing mixed-use redevelopment in the City. Common barriers highlighted among the stakeholders include an overly complex and inflexible zoning (PD) process, lack of a unified vision for mixed-use development between developers, staff, and public officials, and the contentious nature of multifamily residential development.

ECONOMIC INCENTIVES

Sugar Land maintains a versatile collection of economic incentives that could effectively promote and facilitate mixed-use redevelopment. The major incentives available include:

- **Chapter 380 Economic Development Agreements** – Allows the City to offer a range of incentives for economic development (loans and grants), including the ability to rebate some of the City's portion of the one percent sales and use tax collected from businesses with a minimum annual sales tax revenue of \$100,000 for a maximum of 10 years.
- **Tax Abatement** – Qualifying projects may receive up to 100 percent of real and personal property abatement for a maximum of 10 years. The City also offers a LEED tax abatement incentive, up to 100 percent on the incremental cost of incorporating LEED improvements for a maximum of 10 years to encourage green development in Sugar Land.
- **Tax-Increment Reinvestment Zones (TIRZ)** – Used to help facilitate development and redevelopment resulting in an overall increase in the value of the commercial property, TIRZ have been or will be used to support the Sugar Land Town Square, Imperial redevelopment, and University Boulevard/Tract 5 development.
- **Direct Incentives (e.g., City-funded public infrastructure in Sugar Land Town Square)** – Qualifying projects may receive cash grants based on a number of factors including total job creation and wages, capital investment, minimum square footage, credit rating, and annual rate of return.

Stakeholders: Are Available Economic Incentives Working to Achieve Mixed-Use Redevelopment?

Overall, stakeholders consider the available economic incentives adequate in supporting mixed-use projects, but highlighted a few key issues where improvements could be made.

- First, if a project is not viable without the City's contribution, the City will not typically provide funding; this may preclude the developer from moving forward with a project or encourage relocating to a neighboring community.
- Second, some stakeholders perceive that a handful of existing Sugar Land companies tend to receive tax abatements or other funding sources, and more effort needs to be made to incentivize and attract new companies to locate in Sugar Land.
- Finally, in the past, Sugar Land generally avoided federal funding mechanisms, but it will be necessary to rethink that approach and explore new options to ensure economic sustainability in the future.

Some stakeholders expressed concerns about the ongoing market shifts and changes in response to the Covid-19 pandemic related to retail and office uses such as movie theaters, offices, and traditional retail spaces declining. This places greater emphasis on the need for ease of access to and range of economic incentives available to mixed-use redevelopment projects in particular.

MIXED-USE REDEVELOPMENT CASE STUDIES

As background for developing recommendations for Sugar Land, the project team looked at six case-study cities that have been successfully pursuing mixed-use redevelopment over the past decade. The project team also interviewed planning staff from several of these communities to hear first-hand about lessons learned that could apply in Sugar Land. The table below summarizes the key features of each of the case study communities' approaches to mixed-use redevelopment.

| Key Features of Case Study Communities | |
|--|--|
| Cary | <ul style="list-style-type: none"> * Combined mixed-use overlay and standard mixed-use district * Separate mixed-use districts for downtown * Development liaison service for downtown projects |
| Columbia Pike | <ul style="list-style-type: none"> * Form-based code (FBC) approach * Optional, but incentivized overlay district * Existing transit corridor well-suited for mixed-use redevelopment projects * Long-term and robust strategic planning efforts with substantial public and private investment and coordination * Significant amendments (over 30) since zoning adoption |
| Fort Worth | <ul style="list-style-type: none"> * Form-based code approach * Established a comprehensive community strategy to revitalize commercial corridors * Urban Villages Program and Neighborhood Empowerment Zones * Economic incentives tied to the mixed-use zoning districts |
| Henderson | <ul style="list-style-type: none"> * Limited success promoting and implementing the mixed-use zoning districts * Master planning efforts function as the mechanism to achieve mixed-use (e.g. Downtown Master Plan) * Challenges with nonconforming properties after proactive rezoning to mixed-use, vacancies, undesirable uses, and restrictive use mix requirements * Ongoing revisions to mixed-use districts to better reflect the different characteristics and contexts for development * Developer assistance program reduces costs and streamlines the development review process |
| Lewisville | <ul style="list-style-type: none"> * Separate mixed-use districts for downtown * Overlay district for major corridor that identifies mixed-use nodes and supports incremental redevelopment of transition areas * Alternative compliance standards provide flexibility for mixed-use redevelopment projects in the overlay district * Limited application of scaled mixed-use districts and more success with PD districts * Development fee reductions and/or waivers available for mixed-use development projects |
| Plano | <ul style="list-style-type: none"> * Standard mixed-use zoning district effectively functions as a Planned Development * Minimum use mixing standards for proposed developments * Planning and Zoning Commission and City Council trust and support staff's decisions and recommendations, making the development review process more efficient and predictable * Strong community values and high expectations for quality design necessitate the quasi-planned development approach |

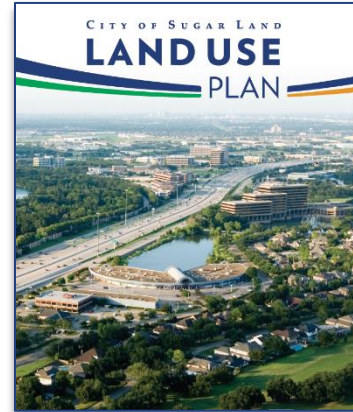
KEY THEMES AND RECOMMENDATIONS

This section provides recommendations for Sugar Land to consider in its implementation of the NACs and RACs, and with future code updates generally. The section is organized around major themes and goals that emerged from the interviews with local stakeholders and case study communities, as well as the review of Sugar Land's existing regulations and development approvals.

START WITH THE LAND USE PLAN

The Land Use Plan represents a major investment by the Sugar Land community. After conducting extensive public engagement and outreach to build and sustain support for the plan, it is now essential that any future Development Code updates be crafted with a strong focus on plan implementation. ***Without effective zoning tools to encourage or require such development patterns, the plan's vision cannot be achieved.***

Part of effective plan implementation is the elimination of zoning barriers that may discourage the type of mixed-use, pedestrian-friendly, and attractive spaces called for in the activity centers. Examples of potential barriers might include maximum density or height limits, or lengthy and repetitive review procedures. Potential barriers to plan implementation may be found in the Development Code, existing development agreements, General Land Plans, or approved General Development Plans, all of which have the potential to conflict with the uses, intensity of development, or other design elements encouraged in the plan's activity centers. Removing barriers is necessary to creating the type of mixed-use, pedestrian friendly, and attractive spaces desired by Sugar Land residents and visitors.



In addition to reducing barriers, new zoning and economic development tools must be designed to support the goals and vision established in Sugar Land's adopted plans. For example, if Sugar Land establishes standard mixed-use zoning districts, the standards for allowed uses, building and site design, residential density limits, and other development standards must align with the plan goals set forth for RACs and NACs.

BUILD ON SUGAR LAND'S UNIQUE ASSETS

Just as Sugar Land's chosen approach to mixed-use redevelopment should be grounded in its adopted plans, so also should it be anchored and distinguished by the City's unique assets, including Sugar Land's water features, diverse community, quality landscaping and open space, and local history. The case studies demonstrate that, while a range of potential approaches are possible toward encouraging mixed-use redevelopment, ***success at the local level must build on the community values, local history, and built and natural environment unique to each city.*** For example, both the Columbia Pike project and Lewisville understood their location along major transportation corridors and used it to their advantage when developing a strategy for promoting and implementing mixed-use development.

Unique places with a variety of amenities that relate to and engage with each other become destinations for both local residents and regional visitors. In a competitive development market, Sugar Land must set itself apart from other Houston-area destinations. A distinctive historic building like Imperial, with its legacy as a physical relic of a company town, is an example of an asset unique to Sugar Land that will one day likely help anchor a distinctive new development. Also, Sugar Land Town Square

serves as a model for regional-level destinations with unique public gathering spaces and a variety of uses.

There are also opportunities to create smaller-scale destinations in the NACs. For example, the First Colony Commons shopping center, identified as a NAC in the Land Use Plan, is characterized by large parking lots and a mix of small retail and restaurant uses. Based on its proximity to Oyster Creek, there is a great opportunity for a redevelopment project to reorient the buildings toward the creek and highlight one of the many water features in Sugar Land.

EDUCATE AND BUILD COMMUNITY SUPPORT FOR MIXED-USE REDEVELOPMENT

A common theme across all the case studies is that *widespread community support of overall redevelopment goals is key to the approval of individual, successful projects*. Regardless of the specific zoning approach or the economic incentives chosen to facilitate mixed-use redevelopment, the backing of the community ultimately will help bring high-quality projects across the finish line.

Essential to building widespread community support is a cooperative working relationship between the private and public sectors. Generally, the development community should be invited and welcomed into redevelopment planning processes as early as possible to ensure that long-term, area-specific, and other plans set reasonable redevelopment goals that fit local market realities, and that will not create barriers to development or unintentionally discourage the desired types and forms of development identified in the plan. Establishing this public/private coordinated approach during the planning stages facilitates better working relationships when developments reach the zoning and development phase. Ideally, developers that are involved in or aware of the drafting of a long-range or comprehensive plan or development code amendment or update will be less likely to experience major unexpected requirements or barriers with specific projects, making the process smoother and faster for both staff and the applicant.

BRING THE PLAN TO LIFE: ZONE FOR MIXED-USE

Introduce New Standard Mixed-Use Zoning Districts

There are no existing base zoning districts designed to encourage and/or require mixed-use redevelopment in the current Sugar Land Development Code. Instead, the City has pursued PD zoning on a case-by-case basis for these projects, as discussed earlier.

One of the key lessons from the case study communities, and from our zoning work generally around Texas and the country, is that *a community should proactively adopt zoning tools designed to incentivize, encourage, and require the types of development that it wants to see - rather than creating workarounds using zoning tools originally intended for other purposes. In particular, creating tools that allow preferred development to occur by right, rather than going through expensive and unpredictable review procedures, can be a powerful incentive for achieving the type of development that a community wants to see*.

To facilitate more predictable, by-right mixed-use redevelopment, *Sugar Land should consider creating one or more dedicated mixed-use districts* that will accommodate areas of varied scale and intensity. Given that the goal is to provide flexibility, we do not recommend a fine-grained approach to regulating the allowed uses within these districts. Instead, the focus should be on allowing appropriate scale and intensity, with use-specific standards to handle potential conflicts between uses and neighboring residential areas. As a starting point, we recommend the districts calibrated to the two types of mixed use in the Land Use Plan:

- Neighborhood Mixed-Use (NACs - lower intensity commercial mixed with residential)
- Regional Mixed-Use (RACs - higher intensity mixed-use for key nodes or areas)

The specific details of the districts would be refined during Phase 2 of the project; however, as a starting point we recommend using the existing suburban and urban PD development standards to inform the standards of the two different scales of mixed-use districts. Additionally, the detailed analysis of the mixed-use zoning districts in the case study communities (Appendix C) will help inform the drafting process.

A key question to be addressed for any mixed-use district is whether the mixture of uses should be required, encouraged through incentives or purely optional. Many of the case study communities grappled with this issue. Another key question involved in creating any type of new zoning district is how it will be applied to the zoning map. A community has options as part of any update to its zoning district lineup. More details and options for transitioning to new districts can be discussed during a future Phase 2 of this project.

Adopt Mixed-Use-Oriented Development Standards

Regardless of the mechanism that Sugar Land chooses to pursue mixed-redevelopment in the future—whether new by-right mixed-use districts, a continuation of PD districts, or some combination thereof—***the code must clearly identify and require the physical attributes that should distinguish mixed-use redevelopment areas.*** According to the plan, these areas should feature pedestrian-friendly streetscapes; connections to parks, open space, trails and other community amenities; well-programmed and creative public spaces; and high-quality building design and architectural character.

Currently in Sugar Land, the specific physical attributes of development are left up to negotiation through each PD. We heard from stakeholders that that approach is unpredictable and can have inconsistent results. Moving forward, the code should require such features through clear, objective standards that provide predictability and notice to applicants of the types of physical environments that will be expected in NAC and RAC areas. Especially when moving away from a negotiated zoning PD-oriented approach, improvements to the baseline development standards will be essential in achieving the expected quality of development in Sugar Land.

Specific actions to consider when updating the development standards include:

- Evaluate parking ratios and shared parking allowances;
- Establish pedestrian-friendly streetscape standards and scale specific requirements based on road type (e.g., arterial, collector, or local); and
- Review the current Urban and Suburban PD development requirements to determine if certain standards should be more broadly applied in base zoning districts.



Building design standards can also be very important tools to foster pedestrian-oriented development with a diversity of uses, density, and design while maintaining neighborhood character. Rather than implement an entirely form-based district, we recommend a less intensive approach for Sugar Land that better responds to the more suburban context of the city. In conjunction with the introduction of mixed-use zoning districts or the reform of the Planned Development process, Sugar Land should consider integrating building-form standards to facilitate the type of development encouraged in the RACs and NACs.

Allow Flexibility

While it will be important to adopt clear new baseline standards to create high-quality, pedestrian-oriented areas, *it also will be important to allow flexibility in how those standards are applied on a case-by-case basis.*

Currently, Sugar Land relies heavily on the discretionary review embedded in the PD process to negotiate conditions, minimize land use conflicts, and generally provide the flexibility needed to tailor sites to specific locations. Although it has generally produced the desired development outcomes, the process itself is more expensive than standard development review processes and takes more time. If moving away from a negotiated process, it is important to find the right balance of discretionary review and detailed standards.

In conjunction with establishing mixed-use zoning districts, allowing *a wider range of administrative-level modifications* could reduce the inefficiencies of current processes and limit the amount of and frequency of negotiated details. In particular, administrative-level decisions could benefit redevelopment projects, especially if changes to the use of the buildings occur as a reaction to the changing real estate market. Some options to integrate more administrative efficiency in the Sugar Land Development Code are:

- Increase staff decision-making authority by establishing criteria for minor and major development projects (outside of the PD process) based on size, location, mix of uses, etc., and sending only the more complex and significant applications requiring public hearings to Planning & Zoning Commission and/or City Council;
- Introduce a Minor Modification procedure that authorizes staff to approve minor deviations (typically 10-20 percent) from certain dimensional or development standards based on specific criteria (this benefits overly burdensome parking, landscaping, and building orientation requirements in a mixed-use development context); and
- Establish a referral procedure by which staff can defer final decision-making authority to the Planning and Zoning Commission when specific thresholds or criteria are met that would justify the need for a public notice and public hearing.

Encourage Incremental Progress

Mixed-use redevelopment within the RACs and NACs will not occur all at once, and it likely will take certain areas longer than others to reach a point at which redevelopment is a feasible option. Rather than attempting to settle on a single, rigid zoning approach that applies a full suite of upgraded standards all at once (and risks discouraging redevelopment altogether), Sugar Land should *consider approaches that support incremental change in larger areas over time.*

Some communities do this by adopting tailored rules for when to apply new development standards to redevelopment projects. A *tiered applicability structure* increases the predictability of the development review process and better balances required development standards with the size and scale of a project.

Another tool to provide flexibility is *alternative compliance*. Alternative compliance provisions allow developers to reduce or modify the required standards as part of an original approval if the proposed alternative achieves the same intent and goals of the subject standard to the same or better degree than the subject standard. They are typically different from minor modifications in that they apply to standards that may not be easily quantifiable, whereas minor modifications are used to adjust numeric standards. Alternative compliance standards can include a scaled system for review authority with minor changes able to be reviewed and approved by staff and larger modifications requiring the approval of the Planning & Zoning Commission or City Council.

Enhance Opportunities for Multifamily Residential

Several stakeholders in the Sugar Land development community noted the inability to incorporate the number of residential units necessary to support the retail, office, or other commercial elements of a mixed-use development. The Land Use Plan includes a recommended maximum residential density of three units per developable acre, which generally is lower than other communities in the Houston area (though Sugar Land applies this standard to the entire RAC or NAC, whereas other communities typically apply density maximums on a project-by-project basis).

Many mixed-use projects, especially in a redevelopment context, depend on the residential tenants to support and ensure the long-term sustainability and profitability of the retail and other commercial tenants in the development. Additionally, the initial profit gained through the inclusion of residential can minimize the need for significant economic incentive packages to make a project feasible, and allows the City to better prioritize funding support for other projects.

Especially as the City considers implementing standard mixed-use district and other development standards that support mixed-use redevelopment, there is an opportunity to discuss and address the major concerns with past multifamily development projects that have led to increasing community opposition to this development form. These issues may include general concerns about compatibility with the surrounding area, specific building design and architectural style issues, impacts to traffic and school capacity, or other issues.

Rather than generally discouraging multifamily, the City should consider updating the Land Use Plan to encourage multifamily development in larger densities than currently recommended in specific areas of the City that would best support and benefit from the density, such as the RACs and NACs.

Understanding that multifamily development has been a contentious topic for the community, future discussion should continue to be centered around identifying the locations and housing forms that fit best within Sugar Land and how the Development Code can regulate development accordingly.

Focus on Targeted Areas

When establishing zoning tools for mixed-use redevelopment, it may be tempting to cast too broad a net and attempt to apply mixed-use-oriented tools across too broad an area. However, one lesson from the case study communities is that creating mixed-use redevelopment requires focus and discipline over many years to make work; the *efforts to create such places should be concentrated in areas where they make the most sense*, rather than attempting to paint the entire zoning map with a “mixed-use” brush. The RACs and NACs identified in the Land Use Plan provide a good starting point for a focused approach to mixed-use redevelopment Sugar Land.

SIMPLIFY AND INCENTIVIZE REDEVELOPMENT

Incentives to Encourage Redevelopment

Incentives work best when they offer a significant time and/or cost savings to potential applicants.

Bonuses or reductions of certain development standards such as parking requirements and building height can greatly benefit a mixed-use development project. Sugar Land also should consider expediting some development review applications such as eliminating additional Planning & Zoning workshops, shortening staff review time, or combining multiple types of applications required for one project. In addition to a streamlined development process, a formal guided process with one or more staff experts to supervise the submittal, review, approval, and construction of a development would greatly improve mixed-use redevelopment outcomes.

Supplement Zoning with Economic Incentives

Zoning is a powerful tool to support mixed-use redevelopment, but economic incentives can take a project from a vision to reality. Because Sugar Land already offers a healthy set of economic incentives, ***the primary focus in promoting mixed-use redevelopment is finding a viable combination to support individual projects.*** Aside from the traditional financial mechanisms used to facilitate redevelopment such as tax increment financing (TIF), Chapter 380 grants and loans, and tax abatements, there are other economic incentives that support mixed-use redevelopment for Sugar Land to consider. Especially for larger, or more complicated mixed-use projects, development review fee waivers or reductions can alleviate some of the financial burden associated with all of the different processes required to construct the project, from initial application fees to building permit fees. Economic development funds could also be used to cover application and permit fees.

REIN IN THE PLANNED DEVELOPMENT PROCESS

The Planned Development tool is currently the primary mechanism for approving mixed-use and redevelopment projects in Sugar Land. While this report recommends moving away from a sole reliance on PDs for these projects, in favor of by-right mixed-use districts and standards, there still will be a need for the PD tool in Sugar Land's Development Code. ***The challenge will be to ensure that the PD is not the "go-to" tool for all applications, but more of a rare tool to accommodate exceptional and unusual projects.***

Fundamentally, a two-step Planned Development process is beneficial to the development community, residents, staff, and public and elected officials because it allows for a basic concept for development to be reviewed before the detailed site planning and engineering work is performed. The basic intent of the current process is beneficial, but the evolving administration of the process has resulted in a vague line between GDPs and FDPs. Reconsidering or reaffirming the level of detail required for each step of the process would better distinguish the two plan types and avoid any unnecessary time or money spent on providing significant details on a project that is not feasible or requires significant revision.

Additionally, a streamlined amendment process for GDPs and FDPs would reduce the length of time a project spends receiving PD approval and improve the appeal of redevelopment to both property owners and managers as well as developers.

Beyond reevaluating the process, other changes are necessary to lessen the frequency of PD applications. These include:

- Requiring public benefits to the community as part of approval of a PD, in exchange for the opportunity of gaining approval outside of the base zoning districts and standard procedures. Desired benefits should align with the policies set forth in the Land Use Plan, be described in specificity, and required for major changes from the base zoning standards
- Restricting when PDs are allowed by reserving their use for unusual, large, or exemplary projects that have a measurable impact on the community.

Overall, Embrace a Balanced Approach

Long-term, there still will be a need for PDs for unusual projects that do not fit the standard zoning template and may not be well-suited for any new zoning tools created. The challenge for Sugar Land will be to develop a more robust toolbox with a variety of tools appropriate to projects of different scale, and with different levels of compatibility with the Land Plan. PDs will most likely continue to be allowed in limited circumstances while also elevating the other new tools recommended in this report like by-right mixed-use districts.