



City of Sugar Land

Sugar Land Development Corporation Agenda

Sugar Land City Hall
2700 Town Center
Boulevard North
Sugar Land, TX 77479

Tuesday, January 6, 2026

Sugar Land Development Corporation Meeting

Meeting of the Sugar Land Development Corporation
and the Governing Body of the City of Sugar Land

Cane Room 161

4:00 PM

I. Attention

Members of the City Council, Board and/or Commission may participate in deliberations of posted agenda items through video conferencing means. A quorum of the City Council, Board and/or Commission will be physically present at the above-stated location, and said location is open to the public. Audio/Video of open deliberations will be available for the public to hear/view; and are recorded as per the Texas Open Meetings Act.

The meeting will live stream at <https://youtube.com/live/PQIkw9KTg-s?feature=share>

II. Call to Order

III. Public Comment

Pursuant to Texas Government Code section 551.007, citizens are permitted to address the City Council, Board and/or Commission in person with regard to matters posted for consideration on the agenda. Each speaker must complete a "Request to Speak" form and give it to the City Secretary or designee, prior to the beginning of the meeting.

Each speaker is limited to 3 minutes, speakers requiring a translator will have 6 minutes, regardless of the number of agenda items to be addressed. Comments or discussion by City Council, Board, and/or Commission members, will only be made at the time the subject is scheduled for consideration.

For questions or assistance, please contact the Office of the City Secretary (281) 275-2730.

IV. Minutes

A. MINUTES

Consideration of and action on the approval of the minutes of the December 2, 2025 meeting

Linda Mendenhall, City Clerk

V. Contracts and Agreements

A. PERFORMANCE AGREEMENT WITH HOPE BIOSCIENCES, LLC.

Consideration of and action on the approval of a \$1,000,000 performance-based incentive with Hope Biosciences, LLC.

Jennifer Alexander, Business Development Manager, Verena Kallhoff, Senior Director, Global Life Sciences with Greater Houston Partnership

VI. Workshop

A. OFFICE READINESS PROGRAM

Review of and discussion on the proposed Office Readiness Program.

Jennifer Alexander, Business Development Manager, Jordan Cutler, Senior Marketing Manager

VII. Adjournment

The Sugar Land Development Corporation reserves the right to adjourn into Executive Session at any time during this meeting for the purpose of consultation with the Attorney as authorized by Texas Government Code Sections 551.071 to discuss any of the matters listed above.

If you plan to attend this public meeting and you have a disability that requires special arrangements at the meeting, please contact the City Secretary, (281) 275-2730. Requests for special services must be received 48 hours prior to the meeting time. Reasonable accommodations will be made to assist your needs.

The agenda and supporting documentation is located on the [City Website](#) under meeting agendas.

Posted on the 24th day of December 2025 at 10:30 a.m.



Sugar Land Development Corporation Agenda Request
January 6, 2026

Agenda Request No: IV.A.

Agenda of: Sugar Land Development Corporation Meeting

Initiated by: Nicole Fontenette, Public Meeting Coordinator

Presented by: Linda Mendenhall, City Clerk

Responsible Department:

Agenda Caption:

MINUTES

Consideration of and action on the approval of the minutes of the December 2, 2025 meeting

Recommended Action:

Consideration of and action on the approval of the minutes of the December 2, 2025 meeting

Executive Summary:

Consider the minutes of the December 2, 2025 meeting

Budget

Expenditure Required: n/a

Current Budget: n/a

Additional Funding: n/a

Funding Source: n/a

Account Number (ORG-OBJ-Project): n/a

Attachments

1. December 2, 2025 SLDC MEETNG MINUTES



City of Sugar Land

Sugar Land Development Corporation Minutes

Sugar Land City Hall
2700 Town Center
Boulevard North
Sugar Land, TX 77479

Tuesday, December 2, 2025
Sugar Land Development Corporation Meeting
Minutes
Cane Room 161
4:00 PM

I. Attention

Members of the City Council, Board and/or Commission may participate in deliberations of posted agenda items through video conferencing means. A quorum of the City Council, Board and/or Commission will be physically present at the above-stated location, and said location is open to the public. Audio/Video of open deliberations will be available for the public to hear/view; and are recorded as per the Texas Open Meetings Act.

The meeting will live stream at <https://youtube.com/live/aPJExZRHSDs?feature=share>

II. Call to Order

QUORUM PRESENT

Suzanne Whatley, Stewart Jacobson, Robert Boettcher, Rick Miller, Sanjay Singhal, and Jim Vonderhaar were present. Carol McCutcheon was absent.

III. Public Comment

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No members of the public addressed the Board.

IV. Minutes

A. MINUTES

Consideration of and action on the minutes of the July 1, 2025 meeting.

Linda Mendenhall, City Clerk

A motion to **Approve the minutes of the July 1, 2025 meeting**, was made by Suzanne Whatley and seconded by Robert Boettcher; the motion **Passed**.

Ayes: Suzanne Whatley, Stewart Jacobson, Robert Boettcher, Rick Miller, Sanjay Singhal, Jim Vonderhaar

Absent: Carol McCutcheon

V. Workshop

A. ECONOMIC DEVELOPMENT AND TOURISM

Review of and discussion on current and future Economic Development and Tourism programs.

Elizabeth Huff, Director of Economic Development and Tourism

Elizabeth Huff, Director of Economic Development and Tourism, gave a presentation, made comments, and answered questions from the Board.

VI. Director's Report

A.

- Marketing, Promotions, and Events
- Strategic and Capital Projects
- Business Recruitment and Retention Efforts

Elizabeth Huff, Director of Economic Development and Tourism

Elizabeth Huff, Director of Economic Development and Tourism, gave a presentation, made comments, and answered questions from the Board.

VII. Adjournment

A motion to **Adjourn at 5: 00 p.m.**, was made by Sanjay Singhal and seconded by Stewart Jacobson; the motion **Passed**.

Ayes: Suzanne Whatley, Stewart Jacobson, Robert Boettcher, Rick Miller, Sanjay Singhal, Jim Vonderhaar

Absent: Carol McCutcheon

Linda Mendenhall, City Clerk





Sugar Land Development Corporation Agenda Request January 6, 2026

Agenda Request No: V.A.

Agenda of: Sugar Land Development Corporation Meeting

Initiated by: Jennifer Alexander, Business Development Manager

Presented by: Jennifer Alexander, Business Development Manager, Verena Kallhoff, Senior Director, Global Life Sciences with Greater Houston Partnership

Responsible Department: Economic Development

Agenda Caption:

PERFORMANCE AGREEMENT WITH HOPE BIOSCIENCES, LLC.

Consideration of and action on the approval of a \$1,000,000 performance-based incentive with Hope Biosciences, LLC.

Recommended Action:

Approval of an Economic Development Performance Agreement between the Sugar Land Development Corporation and Hope Biosciences, LLC, in the amount of \$1,000,000.

Executive Summary:

Company Overview

Founded in 2016, Hope Biosciences, LLC is a Sugar Land-based biopharmaceutical company specializing in adult stem cell-based therapeutics. The company's proprietary approach uses stem cells derived from a patient's own body to regenerate or repair damaged tissue and treat complex conditions, including neurodegenerative and autoimmune diseases. Hope Biosciences operates a GMP-compliant (Good Manufacturing Practices) facility, enabling full control of the therapeutic pipeline—from cell harvesting through clinical-grade manufacturing—while meeting FDA regulatory standards.

Hope Biosciences' business model includes therapeutic development, clinical-grade stem cell banking (the only service of its kind in the United States for both adults and newborns), and contract manufacturing. The company is currently advancing multiple FDA-authorized clinical trials, including studies for multiple sclerosis, lupus, and traumatic brain injury, and recently launched its first pediatric trial. In addition, Hope Biosciences maintains partnerships with institutions across the Houston region and offers direct-to-consumer stem cell banking services.

Life Sciences Strategic Priority

In 2021, the Sugar Land Office of Economic Development (SLOED) commissioned a targeted-industry study to identify sectors with strong potential for employment growth and capital

investment. Life sciences emerged as a priority industry, supported by Sugar Land’s proximity to the Texas Medical Center and the broader Houston healthcare ecosystem. Since that time, Sugar Land has experienced organic growth in life science and innovation-related activity, reinforcing the importance of supporting companies operating in this sector.

To further advance this initiative, SLOED engaged Newmark to develop a Life Science Strategy outlining actionable steps to grow the industry locally. The strategy recommended updates to incentive policies, activation of underutilized real estate, and stronger leverage of existing assets to attract and retain life science companies. A key constraint identified was the limited availability of real estate suitable for specialized life science operations.

In response, Sugar Land updated its economic development incentive policy in 2024 to align with industry standards and remain competitive. Changes included reducing the job creation threshold for life science companies to 10 primary jobs over one year and refining the return-on-investment (ROI) target to 7–10 percent, consistent with life science market norms.

The strategy identified five competitive life science sub-segments for Sugar Land:

1. Drug Development Manufacturing;
2. Medical Device Manufacturing;
3. Therapeutics Development;
4. Molecular Diagnostics (R&D and Production); and
5. Digital Healthcare and Medical Technology.

Hope Biosciences operates within the Therapeutics Development sub-segment.

Project Overview

Hope Biosciences recently purchased its facility located at 16700 Creek Bend Drive in Sugar Land for \$7 million, transitioning from a lease that was set to expire in 2026.

The proposed project includes approximately \$2 million in capital investment for building improvements and equipment. Planned enhancements will expand treatment areas, reconfigure administrative space to accommodate future staffing, and modernize key components of the facility to support expanding clinical operations. The improvements are designed to enhance both operational capacity and the patient and family experience.

This project represents Sugar Land’s first local incentive awarded to a life sciences company and underscores the City’s commitment to cultivating a diversified economic base anchored by innovation-driven employers.

Project Metrics

- **Capital Investment:** \$2,000,000 (building improvements and equipment)
- **Facility Location:** 16700 Creek Bend Dr., Sugar Land, TX 77478
- **Job Creation:** 15 new jobs over five years

- **Job Retention:** 25 existing jobs
- **Average Annual Salary:** \$61,240

New positions include:

- Production Technician
- Quality Assurance Associate
- Quality Control Technician
- Sales / Client Relations

Recommendation

Economic Development staff recommend approval of a \$1,000,000 performance-based incentive, structured as a five-year agreement with annual payments of \$200,000. Incentive payments will be tied to verified performance metrics, including job creation and capital investment, ensuring accountability and alignment with the City's economic development objectives. The agreement also contains clawback provisions if they do not meet the agreed upon performance metrics.

Budget

Expenditure Required: \$1,000,000 Total over five years.

Current Budget: \$4,100,000

Additional Funding: N/A

Funding Source: SLDC Incentive Line

Account Number (ORG-OBJ-Project): 1041185-561010

Attachments

1. SDLC_HB_PA_Signed
2. 250908_Hope Biosciences Exhibit A

**ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT
BETWEEN THE SUGAR LAND DEVELOPMENT CORPORATION AND
HOPE BIOSCIENCES, LLC**

Background

The City of Sugar Land adopted an economic development sales tax and created the Sugar Land Development Corporation (the "SLDC") to promote economic development activities as authorized by Chapter 501 of the Local Government Code. The SLDC and Hope Biosciences, LLC ("Company") wish to enter into this Performance Agreement providing economic incentive payments by the SLDC to Company in consideration of Company performing the obligations imposed upon them as specified in this Performance Agreement.

Agreement

The SLDC and Company agree as follows:

1. Definitions. In this Agreement:

Agreement means this Economic Development Performance Agreement.

Annual Salary means the gross amount of regular or scheduled pay made by Company to an Employee over any consecutive 12-month period for the work performed by the Employee, including bonuses and incentive pay, but excluding overtime pay and other Employee benefits.

Building means the approximately 19,095 square feet building located on the Land, which is being or will be used by Company as its national or regional headquarters as allowed by the City's Development Code within the zoning district where the Land is located. Building includes any sidewalks, parking lots, outdoor lighting, landscaping, fixtures, driveways, signage, utility infrastructure, build-out and finishing work, loading and unloading facilities, and other improvements to serve the Building.

City means the City of Sugar Land, Texas.

Company means Hope Biosciences, LLC, a Texas limited liability company.

Effective Date means the latest date of the dates this Agreement is signed by the parties hereto.

Employee means a person who:

- (a) Is a direct employee of the Company; and
- (b) Regularly works at least 35 hours a week for the Company at the Premises, excluding time taken for holidays, vacations, sick leave, or other regular leave.

Force majeure means lightning, earthquakes, hurricanes, storms, floods, or other natural

occurrence; strikes, lockouts, riots, wars, or other civil disturbances; or explosions, fires, or similar accidents not reasonably within the control of Company or one or more of its agents or contractors.

Improvements means those improvements constructed to serve the Initial Premises, consisting of the building improvements, furniture, fixtures, and equipment specifically listed in the attached Exhibit A, which is incorporated into this Agreement.

Initial Premises means the Building.

Land means that certain tract or parcel of land located at 16700 Creek Bend Dr., Sugar Land, Texas, and containing 1.6535 acres of land, more or less, situated in the S.M. Williams League, abstract No. 97, Fort Bend County, Texas, and being the entirety of Unrestricted Reserve "B2" out of LAKE POINT TRACT "C" UNRESTRICTED RESERVE "B" SECOND AMENDING REPLAT, a subdivision situated in Fort Bend County Texas, according to the map or plat thereof recorded under Clerk's File Number 20110198 of the Plat Records of Fort Bend County Texas, and conveyed to Company by Special Warranty Deed recorded under Clerk's File Number 2025047435 of the Official Public Records of Fort Bend County, Texas.

Premises means, collectively, the Initial Premises and/or the Subsequent Premises.

Sales Tax means the City's 2% sales and use tax consisting of (i) the municipal sales and use tax and the additional municipal sales tax adopted by the City under the authority of the Texas Tax Code, Chapter 321, and (ii) the city sales and use tax imposed by the City for industrial and economic development under the authority of the Development Corporation Act of 1979 (Texas Civil Statutes, Article 5190).

SLDC means the Sugar Land Development Corporation, a non-profit economic development corporation created by the City as authorized by section 4A of the Development Corporation Act of 1979, Tex. Rev. Civ. Stat. Ann. Art. 5190.6, currently codified as Chapters 501 through 505, Tex. Local Gov't Code.

Subsequent Premises means office space which is owned by, or will be leased to, Company within the Sugar Land city limits for its national or regional headquarters, in the event that Company decides to relocate its national or regional headquarters from the Initial Premises during the term of this Agreement.

Year or Year of this Agreement means, unless the context clearly indicates otherwise, from January 1 to December 31st.

2. **SLDC Findings.** By approval of this Agreement, the board of directors of the SLDC finds:

(a) That the jobs to be created or retained by Company will be "primary jobs" as defined by Section 501.002(12), Tex. Local Gov't Code;

(b) That the expenditures made by the SLDC under this Agreement are for the creation or retention of "primary jobs", as defined by Section 501.002(12), Tex. Local Gov't Code, and are

required or suitable for the retention or expansion of a regional or national corporate headquarters as specified by Sections 501.002(4) and 501.101(2)(L), Tex. Local Gov't Code;

(c) That job retention within the City is necessary to the sustained growth, development and economic viability of the City; and

(d) That this Agreement complies with the requirements of Section 510.158, Tex. Local Gov't Code, that any direct incentives provided to a business enterprise requires a written performance agreement that includes:

- (1) A schedule of additional payroll or jobs to be created or retained;
- (2) The capital investment to be made; and
- (3) The terms of repayment upon default.

3. Company Obligations.

(a) Use and Occupancy. Company must continuously lease, occupy and use the Premises as its regional or national headquarters from December 31, 2026 to December 31, 2031. Company's failure to continuously occupy and use the Premises from December 31, 2026 to December 31, 2031 will be considered an event of default under this Agreement.

(b) Improvements.

(1) By December 31, 2026, Company must:

- A. Complete construction of the Improvements in compliance with this Agreement, the City's ordinances, and the plans shown on Exhibit A;
- B. Have spent at least \$2,000,000.00 on materials and services in the design and for the construction of the Improvements, including expenditures for furniture, fixtures, and equipment;
- C. Have received a certificate of occupancy for the Initial Premises; and
- D. Occupy the Initial Premises.

(2) No later than 60 days following December 31, 2026, Company must submit to the SLDC:

- A. A copy of the certificate of occupancy issued by the City for the Initial Premises; and
- B. Receipts and invoices showing that the Company has spent at least \$2,000,000.00 on materials and services in the design and for construction of the Improvements, including expenditures for furniture, fixtures, and equipment.

- (c) Separated Contracts. Company will provide in any contract for the construction of the Improvements that the contract be a separated contract (under section 151.056 (b) of the Texas Tax Code and Comptroller's Rule 3 TAC, Section 291, or as the referenced law or regulation is amended, recodified, or redesignated), so that there is imposed and the contractor will be required to collect from Company the City's municipal sales tax on the sales price of the materials incorporated into the Improvements. Company will provide, if requested by the City, documentation that verifies to the satisfaction of the City that Company has complied with the provisions of this paragraph.
- (d) Purchases of Materials and Personal Property. Company will, and will also require its contractors to, use commercially reasonable efforts to make or cause to be made the purchases for any materials and personal property for the Improvements in the City so that they are subject to the City's Sales Tax.
- (e) Entire Building Must be Up to Code. Company will ensure that the entire Building adheres to, and is in compliance with, all applicable building ordinances and regulations during the term of this Agreement and will cure any violations as soon as possible.
- (f) Jobs Creation and Retention; Average Annual Salary; Deduction and Reimbursement.
- (1) Company will retain and create jobs at the Premises as follows:
- A. Beginning on December 31, 2026 Company will have and maintain at the Premises at least 25 Employees;
 - B. No later than December 31, 2027, Company will have and maintain at the Premises at least 35 Employees;
 - C. No later than December 31, 2028 Company will have and maintain at the Premises at least 37 Employees;
 - D. No later than December 31, 2029, Company will have and maintain at the Premises at least 38 Employees;
 - E. No later than December 31, 2030, Company will have and maintain at the Premises at least 39 Employees; and
 - F. No later than December 31, 2031, Company will have and maintain at the Premises at least 40 Employees;
- (2) The Employees required by this Agreement will have an average Annual Salary of at least \$61,240.00.
- (3) Deduction for Failure to Maintain Required Employees. If Company fails to maintain the minimum number of Employees each Year of this Agreement, as required by this Agreement, the SLDC will not declare an event of default, but the SLDC will deduct

from the applicable incentive payment under Section 5 of this Agreement as follows:

- A. Using the actual average number of Employees maintained compared to the number of Employees required in the Year of this Agreement, calculate the percentage decrease below the number of Employees required. Then multiply that percentage of decrease by the dollar amount of the scheduled incentive payment due for that Year of this Agreement.
- B. The formula is as follows: [(Number of Employees required minus actual number of Employees) divided by (number of Employees required) times (incentive payment due in the current Year of the Agreement)].

For example, if from January 1, 2028 through December 31, 2028, the actual number of Employees was 30 and the incentive payment due is \$200,000.00, the calculation would be as follows:

- (i) $(35-30) \div 35 = 14.29\%$; and
- (ii) $14.29\% \times \$200,000.00 = \$28,571.43$

Therefore, the deduction in that Year, for failure to maintain the required number of Employees, would be \$28,571.43.

- (4) Deduction for Failure to Maintain Average Annual Salary. If Company fails to maintain the average Annual Salary for Employees, as required by this Agreement, the SLDC may not declare an event of default, but the SLDC will deduct from the applicable economic incentive payment under this Agreement an amount calculated as follows:

- A. Using the average Annual Salary required in Section 3(f)(2) compared to the actual Annual Salary required in the Year of this Agreement, calculate the percentage decrease below the required average Annual Salary. Then, multiply that average percentage of decrease by the dollar amount of the incentive payment due in the current Year of this Agreement to determine the amount of the deduction.
- B. The formula is as follows: [$\$61,240.00$ minus actual Annual Salary for that Year of this Agreement) divided by ($\$61,240.00$) times ($\$200,000.00$)].

For example, if from January 1, 2029 through December 30, 2029, the actual average Annual Salary was \$50,000 and the incentive payment due is \$200,000.00, the calculation would be as follows:

- (i) $(\$61,240.00 - \$50,000.00) \div \$61,240.00 = 18.35\%$; and
- (ii) $18.35\% \times \$200,000.00 = \$36,708.034$.

Therefore, the deduction in that Year, for failure to maintain the required average Annual Salary, would be \$36,708.034.

- (3) Reimbursement for Failure to Maintain Required Employees. If the Company fails to maintain the minimum number of Employees in the Year running from January 1, 2031 to December 31, 2031, as required by Section 3(f)(1)(F) above, the SLDC may not declare an event of default if the Company, within 60 days of the end of that Year in which the Company failed to maintain the required number of Employees for that Year, makes a reimbursement payment to the SLDC in an amount determined as follows:
- A. Using the actual number of Employees maintained compared to the number of Employees required in Section 3(e)(1)(f), calculate the percentage decrease below the number of Employees required, using the average number of Employees maintained in the Year.
 - B. Multiply that percentage decrease by one-fifth (1/10) of the total incentive payment of \$1,000,000.00 paid to Company under this Agreement, i.e. \$200,000.00.
 - C. Multiply that amount by 2.5% to obtain the amount of the reimbursement payment; and
 - D. Add on interest at the City's weighted average yield of its investment portfolio from the date the SLDC made the payment to the Company to the date of the Company's repayment.
- (4) Reimbursement for Failure to Maintain Average Annual Salary. If the Company fails to maintain the required average Annual Salary in the Year running from January 1, 2031 to December 31, 2031, as required by Section 3(f)(2) above, the SLDC may not declare an event of default if the Company, within 60 days of the end of that Year in which the Company failed to maintain the required average Annual Salary for that Year, makes a reimbursement payment to the SLDC in an amount determined as follows:
- A. Using the actual average Annual Salary for that Year compared to the average Annual Salary required in Section 3(e)(2), calculate the percentage decrease below the average Annual Salary required, using actual average Annual Salary for the Year.
 - B. Multiply that percentage decrease by one-fifth (1/10) of the total incentive payment of \$1,000,000.00 paid to Company under this Agreement, i.e. \$200,000.00.
 - C. Multiply that amount by 2.5% to obtain the amount of the reimbursement payment; and
 - D. Add on interest at the City's weighted average yield of its investment portfolio from the date the SLDC made the payment to the Company to the date of the Company's repayment.
- (5) No Offset for Company Exceeding Required Employees. If, for a Year or partial Year,

the actual number of Employees exceeds the number required by Section 3(e)(1), the number of Employees that exceed the number of required Employees may not be credited against or used to offset any prior or future reimbursement based on number of Employees for another Year or Partial Year.

- (6) No Offset or Credit for Exceeding Average Annual Salary. The Company may not avoid a deduction or reimbursement from an incentive payment, as provided in this paragraph if, for a Year or Partial Year, the actual average Annual Salary for Employees exceeds the average Annual Salary required by Section 3(e)(2), the amount by which the actual average Annual Salary for Employees exceeds the required average Annual Salary may not be credited against or used to offset any prior or future deduction or reimbursement based on the average Annual Salary for another Year or Partial Year.

(g) Reports and Inspections.

- (1) Within 60 days of December 31, 2026, the Company must provide to the SLDC the information required under Section 3(b)(2) above and Section 4(b) below.
- (2) Apart from the initial reporting requirements stated above, the Years of this Agreement for reporting and inspection requirements are as follows:
- A. January 1 , 2027 to December 31, 2027;
 - B. January 1 , 2028 to December 31, 2028;
 - C. January 1 , 2029 to December 31, 2029;
 - D. January 1 , 2030 to December 31, 2030; and
 - E. January 1 , 2031 to December 31, 2031.
- (3) Within 60 days following each Year of this Agreement, the Company will certify to the SLDC that it has complied with the terms of this Agreement and provide sufficient written information, records, and documents, to support its certification of compliance.
- (4) Upon the SLDC's written request, the Company will promptly provide to the SLDC any additional information reasonably necessary for the SLDC to determine if the Company has complied with this Agreement.
- (5) The Company will allow the City access to the Premises during regular business hours to inspect the Premises to verify that the Company is complying with this Agreement. The City will be reasonable in exercising this access right.
- (6) Any documentation required to be submitted to the SLDC under this Agreement shall be submitted to the SLDC as part of one complete package and not on a piecemeal basis. The SLDC has no obligation to begin its review until and unless all documentation has been received.

4. SLDC Economic Incentive Payments.

(a) Incentive Payments, Generally. Subject to the waiver provisions of this Section 4(a) and the deductions and other provisions of this Agreement, the SLDC agrees to pay an initial economic incentive payment of \$200,000.00 to Company by March 31, 2027, and four (4) additional economic incentive payments of \$200,000.00, to Company, by March 31, 2028, 2029, 2030, and 2031, for the preceding Year of this Agreement. Company waives its right to receive an economic incentive payment for the partial Year and any Year of this Agreement if it fails to provide to the SLDC or allow the SLDC to inspect the reports and documentation and information required by this Agreement by February 28 for the preceding partial Year or Year of this Agreement.

(b) First Incentive Payment. Subject to the waiver provisions of Section 4(a), and deductions and other provisions of, this Agreement, the SLDC will make the first incentive payment of \$200,000.00, to Company in accordance with Section 4(a) of this Agreement by March 31, 2027, if by March 2, 2027:

- (1) Company submits to the SLDC documentation showing that Company is using and occupying the Initial Premises as its regional or national headquarters.
- (2) Company submits to the SLDC copy of the current certificate of occupancy for the Initial Premises;
- (3) Company submits to the SLDC the latest Texas Workforce Commission records for each quarter of the Year of this Agreement pertaining to Company that show the number of Employees at the Initial Premises and their Annual Salary;
- (4) Company makes available to the SLDC for review at the Initial Premises the latest auditable reports from Company's internal employee reporting system showing that Company has at least 25 Employees at the Initial Premises with an average Annual Salary of at least \$61,240.00;
- (5) Company provides to the SLDC receipts and invoices showing that by December 31, 2026, Company cumulatively spent at least \$2,000,000.00 on materials and services in the design and for the construction of the Improvements.
- (6) Company verifies, or allows the SLDC to verify that the Building is in compliance with all applicable building ordinances and regulations and that there are no outstanding violations.
- (7) Company submits to the SLDC a letter on Company letterhead stating that it has made good faith efforts to encourage its contractor(s) to make the purchases of materials and personal property in the City so that the materials and personal property are subject to the Sales Tax;
- (8) Company submits a letter to the SLDC certifying that Company is in compliance with the requirements of this Agreement as of the date of the letter; and
- (9) Company submits to the SLDC any other reports or documentation required by this

Agreement.

(c) Four Succeeding Economic Incentive Payments. Subject to the waiver provisions of Section 4(a), and deductions and other provisions of, this Agreement, the SLDC will make the four remaining incentive payments of \$200,000.00 each to Company in accordance with Section 4(a) of this Agreement by March 31 of Years 2028, 2029, 2030, and 2030, if by February 28 of the relevant Year of this Agreement:

- (1) The SLDC confirms that Company is occupying and has occupied the Premises as its regional or national headquarters from January 1 to December 31.
- (2) Company submits to the SLDC the latest Texas Workforce Commission records for each quarter of the Year of this Agreement pertaining to Company that show the number of Employees at the Premises and their Annual Salary;
- (3) Company makes available to the SLDC for review at the Premises the latest auditable reports from Company's internal employee reporting system showing that Company has the number Employees at the Premises required by Section 3(e)(A) with an average Annual Salary of at least \$61,240.00 from January 1 to December 31.
- (4) The SLDC confirms that Company employed at the Premises the number Employees required by Section 3(e)(A) with an average Annual Salary of at least \$61,240.00 from January 1 to December 31.
- (5) Company submits a letter to the SLDC certifying that Company is in compliance with the requirements of this Agreement as of the date of the letter; and
- (6) Company submits to the SLDC any other reports or documentation required by this Agreement.

(d) Reduction in Incentive Payments. For each Year of this Agreement, the SLDC's incentive payments to Company will be reduced in an amount equal to the sum of the reductions, if any, required in Paragraphs 3(e)(3) and 3(e)(4).

(e) Deductions Not Exceeding Incentive Payment. If the cumulative amount of the deductions from an applicable economic incentive payment in the Year of this Agreement calculated pursuant to Sections 3(e)(3) and 3(e)(4) exceed the economic incentive payment for that Year of this Agreement, then the SLDC will not make the applicable economic incentive payment to Company for that Year of the Agreement.

(f) Survival. The deduction or reimbursement from an applicable incentive payment provided for in this Agreement survives termination or expiration of this Agreement. Company's obligations that must be performed after expiration of the Agreement survive expiration of this Agreement.

(g) The SLDC is funding this Agreement exclusively from economic development sales taxes it receives under the provisions of the Development Corporation Act of 1979, as amended

(currently codified as Chapters 501 through 505, Tex. Local Gov't Code.). Should any legal impediment arise during the term of this Agreement, including a change in law, that prevents or prohibits the SLDC from making future incentive payments under this Agreement, either party may terminate this Agreement without further liability to the other.

5. Term and Termination.

(a) Unless terminated earlier as allowed in this Agreement, and subject to obligations that survive, this Agreement begins on the Effective Date and terminates on December 31, 2031.

(b) This paragraph is required by Chapter 2264, Tex. Gov. Code and governs over any conflicting provisions of this Agreement. Company will not knowingly employ undocumented workers as that term is defined in Section 2264.001, Tex. Gov. Code. If Company is convicted of a violation under 8 U.S.C. Section 1324a (f), the conviction is a breach of this Agreement and the city manager will send Company written notice that Company has violated this paragraph and that the Agreement terminates 30 days from the date of the notice.

(c) Either party may terminate this Agreement during its term as provided in this paragraph if the other party fails to comply with its terms. The party alleging the default will give the other parties notice of the default in writing. If the party in default fails to cure the default within 60 days of the date of the notice, the party giving the notice may terminate this Agreement by written notice to the other parties, specifying the date of termination.

(d) No party may be deemed to be in default of this Agreement if performance of this Agreement is delayed, disrupted, or becomes impossible because of any act of Force Majeure but only for so long as the event of Force Majeure reasonably prevents performance.

(e) Company Reimbursement Payments for Breach of Agreement. If the SLDC terminates this Agreement because of Company's breach of any provision as permitted by this Agreement, Company will, within 60 days following termination, reimburse the SLDC for all payments the SLDC had made to Company under this Agreement, excluding any reimbursement payments previously made by Company under this Agreement. The reimbursement payment includes interest on each SLDC payment at the City's weighted average yield of its investment portfolio from the date the SLDC made the payment to Company to the date of Company's repayment. Company's obligation to reimburse the SLDC payments made to Company if Company breaches this Agreement survives termination of this Agreement.

6. Miscellaneous Provisions.

(a) Remedies Cumulative. The rights and remedies provided in this Agreement or under other laws are cumulative and the exercise of any particular right or remedy does not preclude the exercise of any other right or remedy.

(b) Law Governing and Venue. The laws of the State of Texas govern this Agreement and no lawsuit may be prosecuted on this Agreement except in a court having jurisdiction in Fort Bend County, Texas.

(c) Notices. Any notice required to be given by one party to the other parties must be given in writing addressed to the parties to be notified at the addresses set forth below: (1) by delivering the notice in person, (2) by depositing the notice in the U. S. Mail, certified or registered, return receipt requested, postage prepaid, (3) by depositing the notice with Federal Express or another nationally recognized courier service for next day delivery; or (4) by sending the notice by email with confirming copy sent by mail. Notice deposited in the U.S. Mail is deemed effective three business days following the date of deposit. Notice given in any other manner is effective when received by the party to be notified. For the purposes of notice, the addresses of the parties to whom notice is to be given, until changed by given notice to the other as provided herein, is as follows:

SLDC: General Manager
 Sugar Land Development Corporation
 c/o Director of Economic Development
 City of Sugar Land
 P. O. Box 110
 Sugar Land, Texas 77487-0110
 Email: ecodev@sugarlandtx.gov

With a copy to: City Manager
 City of Sugar Land
 P. O. Box 110
 Sugar Land, Texas 77487-0110
 Email: citymgr@sugarlandtx.gov

Company: Hope Biosciences, I.I.C
 Attn: Daniel Chang
 16700 Creekbend Dr.
 Sugar Land, TX 77478
 Email: daniel@hope.bio

(d) Assignment. Except as provided herein, Company may not assign this Agreement to any other person or entity unless the SLDC consents in writing to the assignment.

(e) City Authority. The City's city manager or any employee authorized by the city manager is authorized to act on behalf of the SLDC in the administration or enforcement of this Agreement.

(f) Severability. The provisions of this Agreement are severable and the invalidity of any part of this Agreement shall not affect the validity of the remainder of this Agreement.

(g) SLDC Signatory Authority. Approval of this Agreement by the Board of the SLDC, by motion at a scheduled meeting, authorizes its general manager to execute this agreement on behalf of the SLDC.

(h) Exhibits. The following exhibits are attached to and incorporated into this Agreement:

Exhibit A – List of Improvements

SUGAR LAND DEVELOPMENT CORPORATION

By: _____
Name: Stewart Jacobson
Its: President
Date: _____

HOPE BIOSCIENCES, LLC

By: Daniel Chang
Name: Daniel Chang
Its: Managing Member
Date: December 22, 2025

Linda Mendenhall, City Clerk

APPROVED AS TO FORM:

DAnn Shea Smith

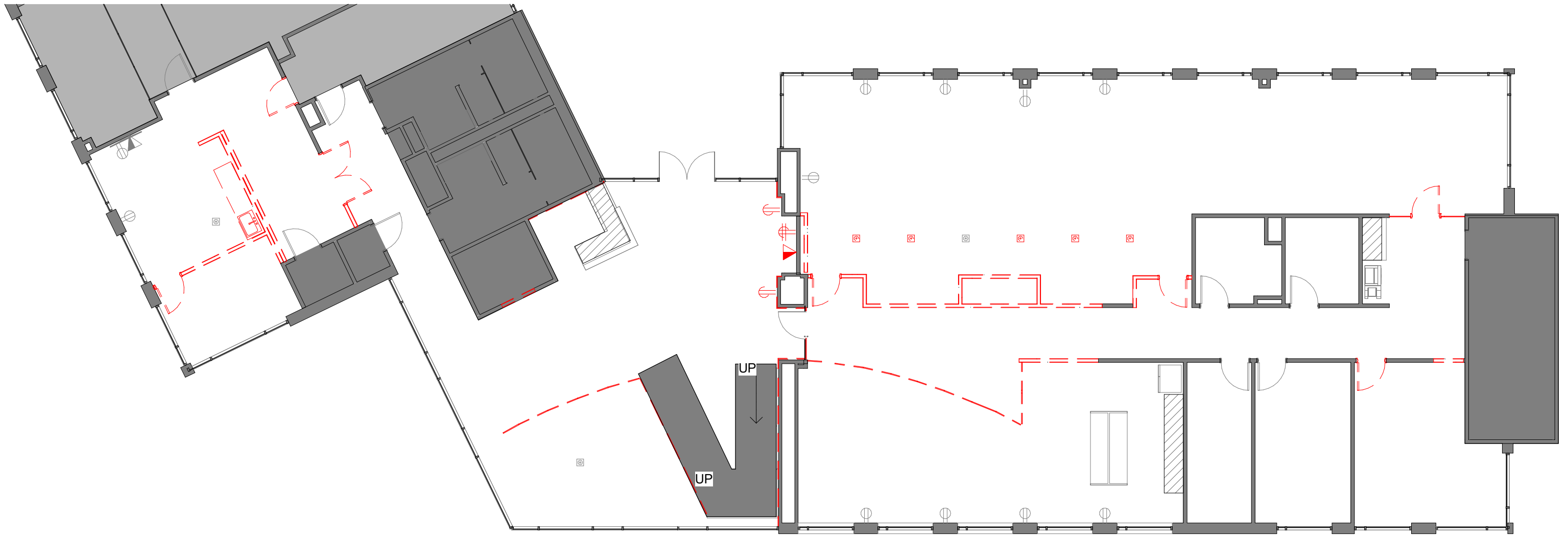
EXHIBIT A

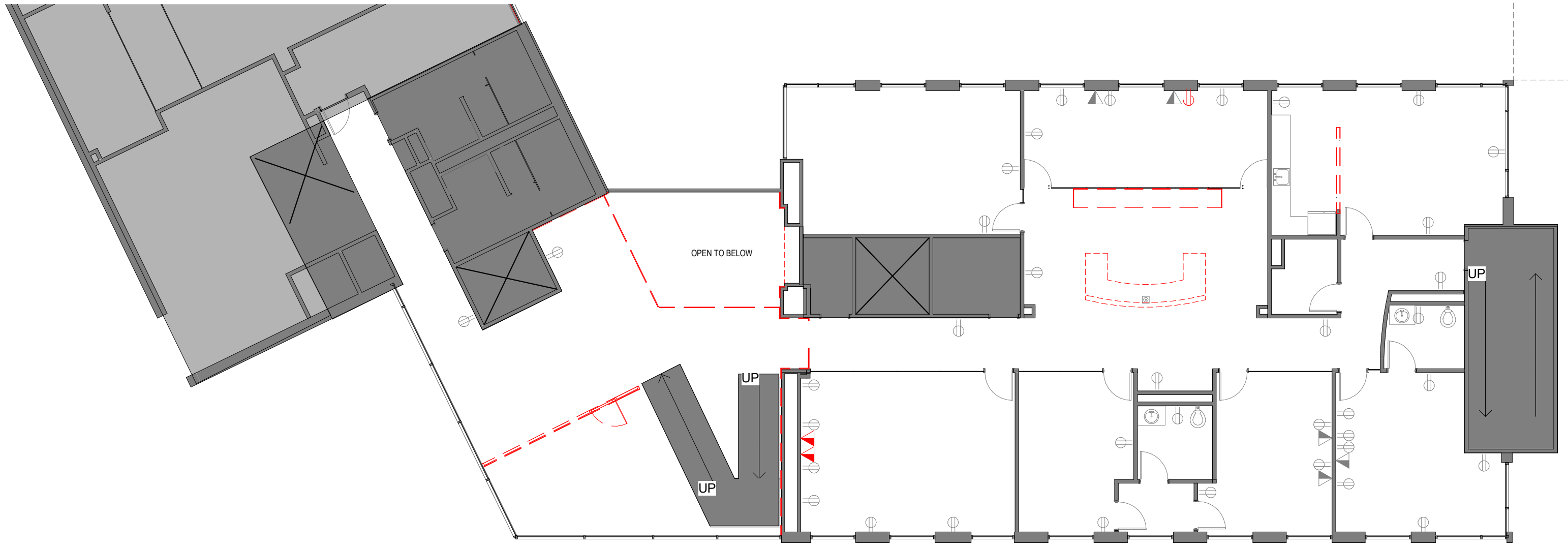
List of Improvements

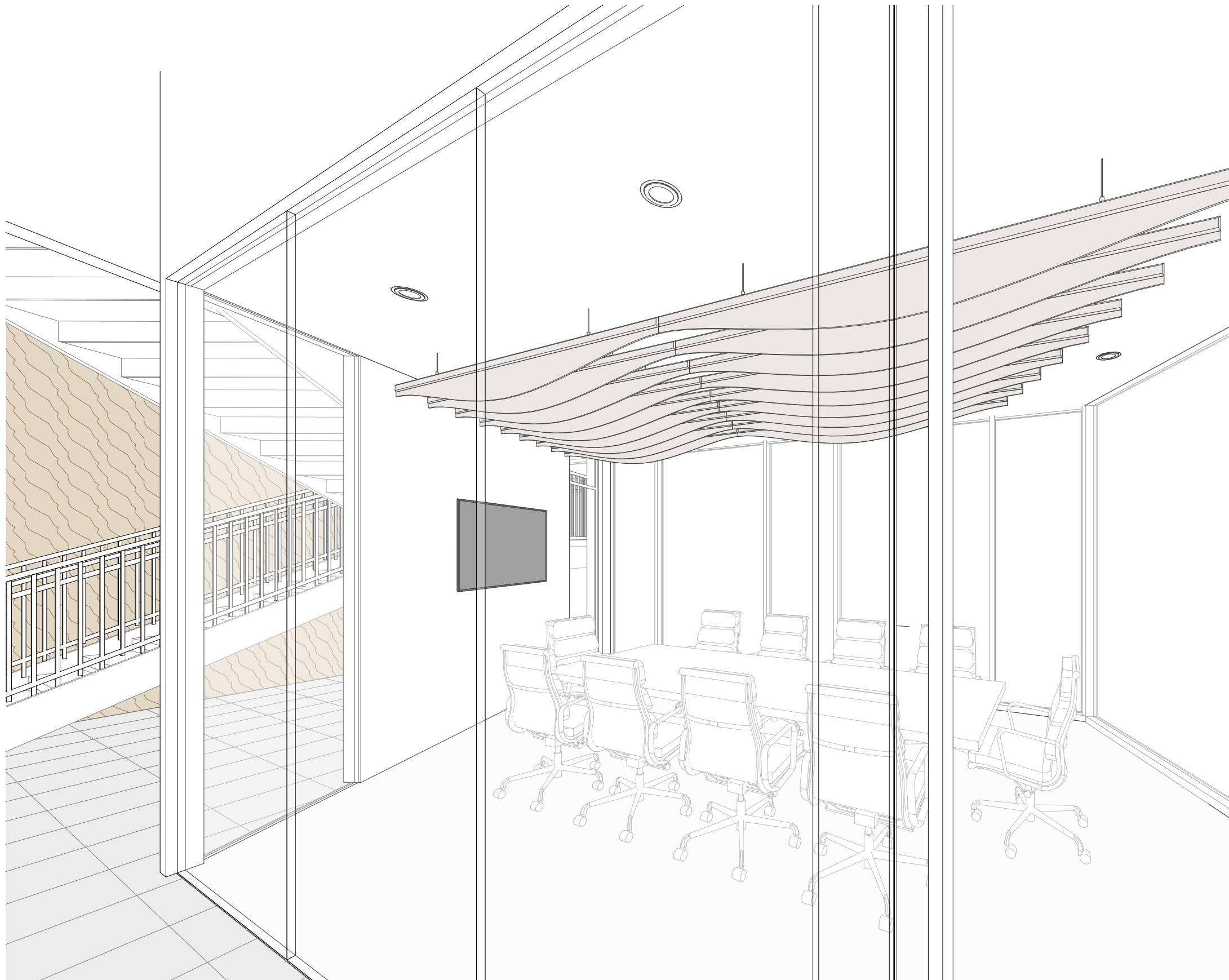


ORGANIC
MODERN
CURVES
NATURAL
CALMING









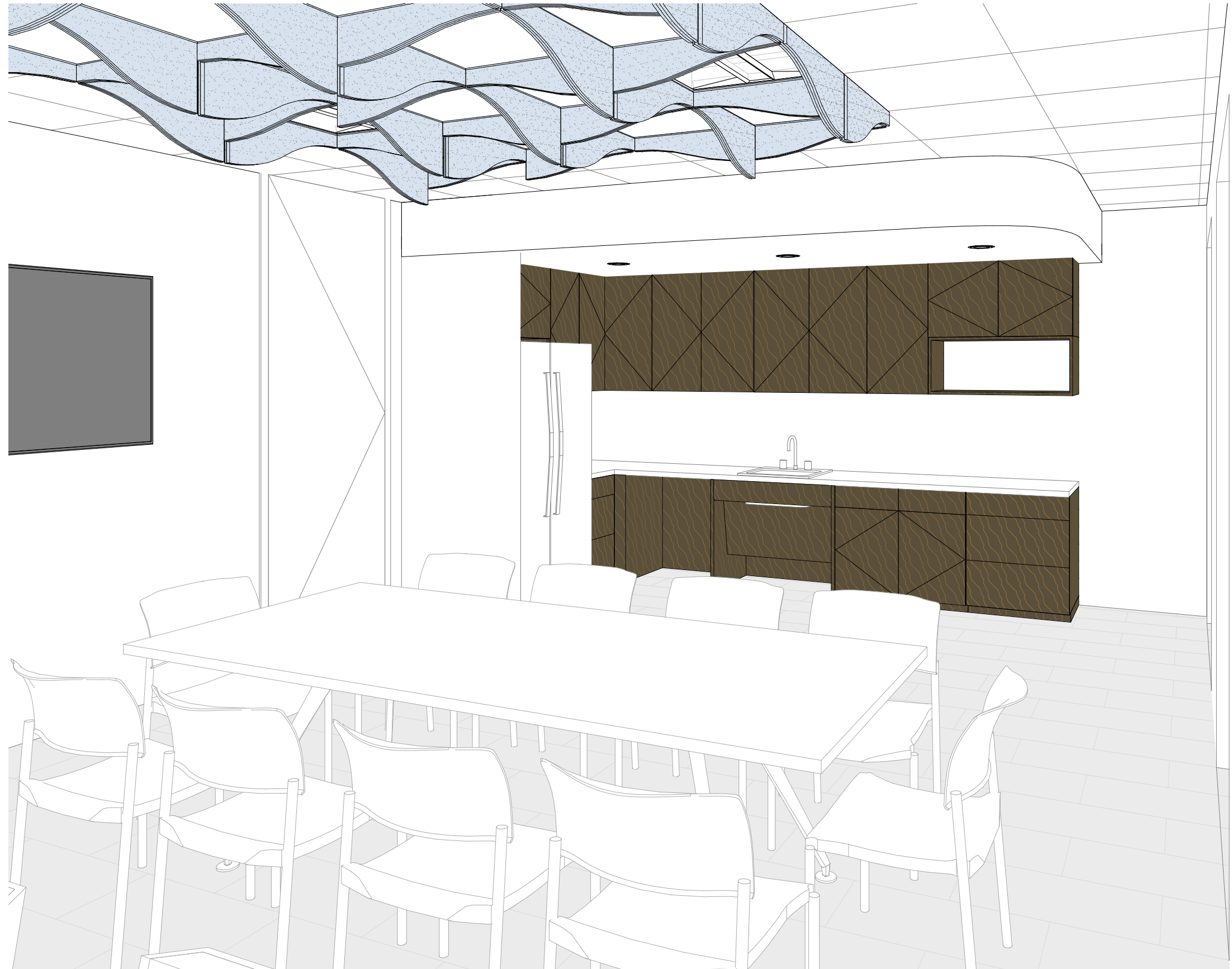


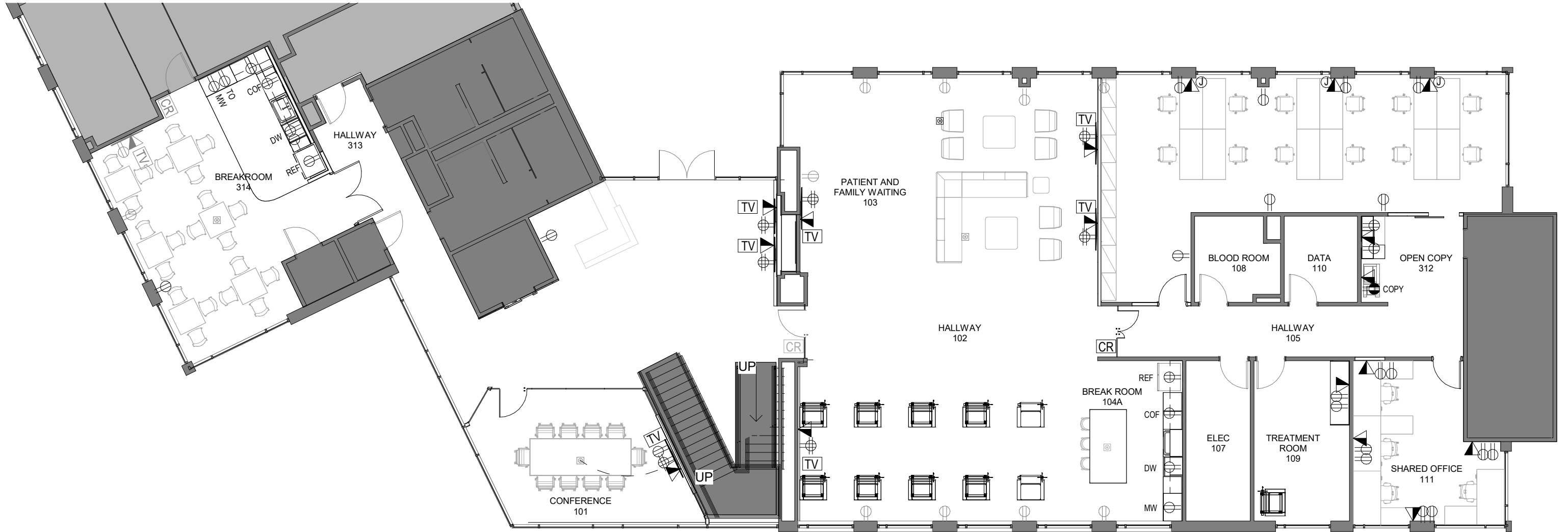






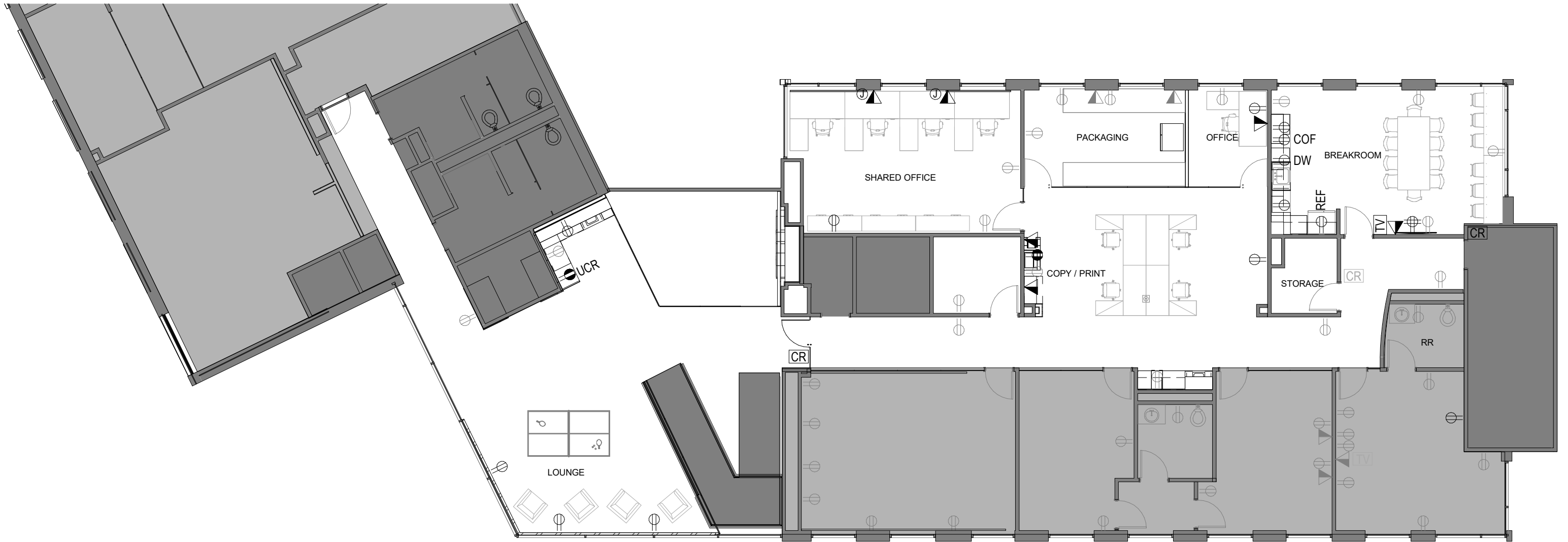






POWER LEGEND

- ⊕ DUPLEX
- ⊖ DEDICATED DUPLEX
- ⊗ QUAD
- ⊙ JUNCTION BOX (FURNITURE)
- ◀ DATA PULL
- ⊠ FLOOR CORE



POWER LEGEND

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- ⊕ QUAD
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Sugar Land Development Corporation Agenda Request January 6, 2026

Agenda Request No: VI.A.

Agenda of: Sugar Land Development Corporation Meeting

Initiated by: Jennifer Alexander, Business Development Manager

Presented by: Jennifer Alexander, Business Development Manager, Jordan Cutler, Senior Marketing Manager

Responsible Department: Economic Development

Agenda Caption:

OFFICE READINESS PROGRAM

Review of and discussion on the proposed Office Readiness Program.

Recommended Action:

Review and discuss the proposed Office Readiness Program.

Executive Summary:

Sugar Land's office market plays an important role in supporting high-quality jobs. While the City remains a strong suburban employment center, portions of its office inventory have not kept pace with changing workplace expectations. Today's office users prioritize quality of place, including modern building interiors, functional layouts, amenities, and a professional environment that supports employee experience and long-term retention. When these elements are missing, otherwise practical office space becomes difficult to lease and less competitive within the broader Houston region.

The Sugar Land Development Corporation routinely evaluates its incentive programs to ensure they remain effective and responsive to market conditions. Through this ongoing review, staff has determined that the existing Headquarters Retention Program is no longer well aligned with current office market needs. Market demand has shifted toward reinvestment and modernization of existing office assets rather than headquarters-specific incentives. As a result, staff is proposing to repeal the Headquarters Retention Program and replace it with the Office Readiness Program.

The proposed Office Readiness Program is a strategic initiative designed to modernize Sugar Land's aging office inventory, address persistent vacancy in key professional office corridors, and better align land use with the City's long-term economic development goals. The program encourages meaningful private investment by property owners and office users who are prepared to make long-term commitments in Sugar Land, with a focus on improving the overall quality

and competitiveness of the City’s office environment.

A key objective of the program is to support office infill by encouraging office-appropriate users currently located in M-1 industrial or flex environments to transition into traditional professional office buildings. This approach helps preserve industrial land for manufacturing and job-intensive uses while activating underutilized office space and reinforcing appropriate land-use patterns.

The Office Readiness Program offers two incentive pathways. The Property Owner Path supports projects with a minimum \$2 million capital investment to modernize entire office buildings and secure primary job tenants. The Tenant Path supports office users making a minimum \$750,000 investment in tenant improvements, tied to job creation and long-term lease commitments. Both pathways utilize reimbursement-based incentives equal to 50 percent of eligible costs and include safeguards such as investment and job verification, baseline occupancy requirements, and clawback provisions to ensure accountability.

Expected outcomes of the program include increased office occupancy, reinvestment in aging office assets, improved alignment of land use, and strengthened positioning of Sugar Land as a competitive suburban office.

This workshop is intended to introduce the Office Readiness Program concept.

Budget

Expenditure Required: \$4,100,000

Current Budget: \$4,100,000

Additional Funding: N/A

Funding Source: SLDC Incentive Line

Account Number (ORG-OBJ-Project): 1041185-56110

Attachments

- 1. FINAL 1.14 Office Readiness Policy - DSS rev 12-18-25

RESOLUTION NO. SLDC-R-26-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUGAR LAND DEVELOPMENT CORPORATION ADOPTING A POLICY ON GRANTING AN ECONOMIC DEVELOPMENT INCENTIVE FOR OFFICE READINESS; AND REPEALING RESOLUTION NO. SLDC-R-22-03.

WHEREAS, in 2022, the SLDC passed Resolution No. SLDC-R-22-03, adopting a Policy on Granting an Economic Development Incentive for Retention of Office Headquarters (the “Office Headquarters Policy”); and

WHEREAS, the purpose of the Office Headquarters Policy was to incentivize companies that lease space within the City for their Office Headquarters to remain in the City when their existing leases expire or terminate; and

WHEREAS, since passage of the Office Headquarters Policy, the City of Sugar Land (“City”) has recognized a need to transition office-type uses currently in industrial or flex facilities into true professional office space, to strengthen the City’s corporate office market and ensure that M-1 and M-2 zoned industrial areas remain available for advanced manufacturing, logistics, and other target industry uses; and

WHEREAS, an incentive program to refresh vacant and underutilized office buildings will assist in this goal; and

WHEREAS, the Sugar Land Development Corporation would like to move away from the Office Headquarters Policy and instead incentivize property owners to make capital investments to modernize aging office buildings, and to incentive tenants to make significant tenant improvements and invest in the growth and stability of their operation in the City; and

WHEREAS, the SLDC wishes to adopt a policy for providing a financial incentive to property owners and tenants, to refresh vacant and underutilized office buildings by supporting tenant improvements and infrastructure upgrades that attract high-quality employers; NOW, THEREFORE,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
THE SUGAR LAND DEVELOPMENT CORPORATION:**

Section 1. That Resolution No. SLDC-R-22-03, adopting a Policy on Granting an Economic Development Incentive for Retention of Office Headquarters, is hereby repealed.

Section 2. That the SLDC adopts the following Policy on Granting an Economic Development Incentive for Office Readiness.

**SUGAR LAND DEVELOPMENT CORPORATION POLICY
ON GRANTING AN ECONOMIC DEVELOPMENT INCENTIVE**

FOR OFFICE READINESS

A. Purpose.

To provide a funding incentive that: (1) modernizes the City's office inventory to remain regionally and nationally competitive; (2) reduces office vacancy and promotes adaptive reuse of older office buildings; (3) attracts corporate relocations, consolidations, and expansions into the City's office market; (4) supports the growth of life sciences (limited to drug development manufacturing, medical device manufacturing, therapeutics development, digital health and medtech, and molecular diagnostics¹); (5) ensures private investment and job creation that strengthens the local economy; and (6) transitions office-type users out of industrial/flex space into true office space.

B. Definitions.

Act means the Development Corporation Act of 1979, codified in Chapters 501 through 505 of the Texas Local Government Code, as amended.

Baseline Occupancy Rate means the verified occupancy rate as of the date an Incentive Applicant submits its application for a Readiness Incentive.

Baseline Jobs means the number of jobs at the proposed Project site, verified as of the date of an Incentive Applicant's application for a Readiness Incentive.

City means the City of Sugar Land, Texas.

Incentive Applicant means either a Property Owner or a Tenant

Performance Agreement means the agreement entered into between the SLDC and an Incentive Applicant under which the SLDC provides a Readiness Incentive to the Incentive Applicant in consideration of the Incentive Applicant's complying with the terms of the performance agreement.

Policy means this Policy on Granting an Economic Development Incentive for Office Readiness, adopted by the SLDC by Resolution No. SLDC-R-26-01.

Primary Job means a job as specified by the Act that is available at a company for which a majority of the products or services of that company are ultimately exported to regional, statewide, national, or international markets infusing new dollars in the local economy.

Professional Office Space means buildings, or space within buildings, primarily designed and used for professional, administrative, or corporate office functions.

¹ NAICS Codes 325411, 33911, 325414, and 541714.

Project means the qualifying capital investment and job creation or retention by an Incentive Applicant under this Policy.

Property Owner means a property owner who applies for Readiness Incentive in accordance with this Policy.

Readiness Incentive means SLDC funds provided to the Incentive Applicant under a Performance Agreement.

SLDC means the Sugar Land Development Corporation.

Tenant means an office tenant who applies for Readiness Incentive in accordance with this Policy.

C. Eligibility Requirements.

1. **Statutory Requirements in Granting Economic Development Incentive.** In addition to any requirements imposed under this Policy, the Readiness Incentive provided to an Incentive Applicant under this Policy and a Performance Agreement must meet the following requirements of the Act:

(a) That:

- (1) the jobs created or retained by the Incentive Applicant will be Primary Jobs, as defined by the Act; or
- (2) the Readiness Incentive made is required or suitable for the development, retention, or expansion of regional or national corporate headquarters facilities;

(b) That the Project may include expenditures required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to: (1) streets and roads, rail spurs, water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements, and related improvements; and (2) telecommunications and Internet improvements; and

(c) That the Readiness Incentive is provided under a Performance Agreement that includes:

- (1) A schedule of the additional payroll or jobs to be created or retained;
- (2) A statement of the minimum capital investment to be made; and
- (3) A default provision that provides that upon default the SLDC will be repaid the incentive provided, with interest.

2. **Qualifications for Receiving Readiness Incentive.** To receive a Readiness Incentive under this Policy, the Incentive Applicant must meet the qualifications of this section. The SLDC may waive a qualification, other than compliance with the Act, if the Incentive Applicant will clearly provide other benefits to the City that offset the qualification waived.

- (a) The Project must meet the Act’s requirements for receiving a Readiness Incentive, as stated in preceding paragraph C(1);
 - (b) The office space must be Professional Office Space;
 - (c) The Professional Office Space must be located within Sugar Land city limits and located in the eligible office corridor as defined by the boundaries map, attached hereto as Exhibit A. Eligible areas include established, professional office districts and exclude industrial and business park zones.
 - (d) Relocations from industrial/flex space into Professional Office Space are encouraged to support the Policy’s objective of increasing office occupancy.
 - (e) Office condominiums and/or properties that include manufacturing, flex, or industrial uses are not eligible, even if a portion of the building is used for office operations.
 - (f) Businesses relocating from outside Sugar Land — whether expanding or consolidating operations — are eligible if they meet all program criteria, maintain baseline employment, and fulfill lease and investment commitments.
 - (g) Incentive Applicants are required to maintain a minimum annual average salary of \$61,240.00, which may be verified via a spreadsheet that shows the Primary Job employee count. Incentive Applicants who are also Property Owners with tenants must provide each tenant’s name and the square footage leased to each tenant.
3. **Specific Requirements for Property Owners.** In addition to the general eligibility requirements listed in Sections (C)(1) and (2) above, Incentive Applicants who are Property Owners are also subject to the following specific eligibility requirements:
- (a) Property Owners must commit to spend a minimum of \$2,000,000 in eligible building modernization or infrastructure improvements.
 - (b) Property Owners must agree to maintain at least the Baseline Occupancy Rate and Baseline Jobs during the term of the Performance Agreement.
 - (c) The Property Owner’s tenants should operate within the City’s targeted industries— information technologies, business and professional services, or life sciences — or serve as a regional or national headquarters, to align with Policy objectives.
 - (d) Property Owners may also be eligible to receive a Readiness Incentive for Projects that include speculative tenant space that supports the creation of move-in-ready speculative office suites or shared tenant amenities.
 - (1) Eligible improvements for speculative tenant space include interior finish-outs, modernization of common areas, technology or energy-efficiency upgrades, and shared space amenities that enhance marketability and fall within the Act.

- (2) Speculative Projects will be reimbursable upon the Property Owner leasing the improved space to a qualified Primary Job tenant within an approved timeframe (typically 18–24 months).
 - (3) Speculative Projects must be within the eligible boundaries and marketed exclusively for professional office use.
4. **Specific Requirements for Tenants.** In addition to the general eligibility requirements listed in Sections (C)(1) and (2) above, Incentive Applicants who are Tenants are also subject to the following specific eligibility requirements:
- (a) Tenants must commit to spend a minimum of \$750,000.00 in eligible finish-out for their leased space.
 - (b) Tenants should operate within Sugar Land’s targeted industries (corporate HQ, professional services, technology, etc.) or life sciences.
 - (c) Tenants must commit to creation or retention of Primary Jobs at or above the following minimum thresholds:
 - (1) Life sciences companies: At least 10 new or retained Primary Jobs;
 - (2) Targeted industry companies (information technologies or business and professional services.): At least 50 new or retained Primary Jobs within the first five years; or
 - (3) Regional or national headquarters, with at least 50 new or retained Primary Jobs.
 - (d) Tenants must either already be in, or enter into, a lease that will extend for at least five (5) years from the effective date of the Performance Agreement, in an eligible office building.
 - (e) Tenants must provide written approval from their landlord for the Project. Landlords may be required to be a signatory to any Performance Agreements, for the sole purpose of evidencing their approval of the Project.

D. Readiness Incentive. The SLDC will reimburse successful Incentive Applicants an amount equal to 50% of eligible improvements.

E. Performance Agreements. Performance Agreements will be structured to include the following:

- 1. Payment of a Readiness Incentive, tied to the Incentive Applicant making the required capital investment and completing any required improvements;

2. Payment of a Readiness Incentive, tied to the creation or retention of Primary Jobs;
3. Payment of the Readiness Incentive, in the form of a reimbursement after meeting any required capital investment and/or Primary Job requirements;
4. Performance Agreements will have a minimum term of five (5) years and may have a term of up to ten (10) years;
5. Successful Incentive Applicants will be required to submit payroll and/or job data during each year of the agreement;
6. The agreements will include provisions for repayment if the terms of the agreement are breached; and
7. Incentive amounts will be negotiated based on return on investment and Project impact, as determined by the City.

F. Factors Considered in Granting Readiness Incentive. To determine whether to grant a Readiness Incentive for a Project that meets the minimum qualifications under this Policy, the SLDC may consider any of the following:

- (a) The value and productive life of the Project;
- (b) The amount of local payroll the Project will create or retain;
- (c) The amount of local sales taxes the Project will generate or retain;
- (d) The Incentive Applicant's use of local higher education resources;
- (e) The Incentive Applicant's corporate citizenship;
- (f) Whether the Incentive Applicant is in a growth industry or targeted business or industry;
- (g) The risk of the Project's success or failure;
- (h) The City's costs in providing services to the Project; or
- (i) Whether the Incentive Applicant has a credit rating of "A" or equivalent.

G. Excluded Projects. The SLDC will not grant a Readiness Incentive to any Project in which City or SLDC participation would expose the City or SLDC to undue risks including financial, legal, and political.

H. Program Funding. Each fiscal year the SLDC will adopt a budget that includes funds for the Readiness Incentive, in an amount to be determined. Any Readiness Incentive funds not spent or committed from the previous fiscal year will be carried over to the following fiscal year to

reduce the amount of Readiness Incentive funds that will need to be budgeted. Funding is subject to the availability of funds within the SLDC's budget and will be used in accordance with applicable State law. If all funds in a given year are spent or committed to Projects, the SLDC may appropriate additional funds should a Project of substantial and compelling interest be identified.

I. Terms and Conditions. The City Council Economic Development Committee charged with economic development oversight may recommend and the SLDC may impose any other conditions in a Performance Agreement that the SLDC deems necessary to promote the purposes of this Policy.

J. Request for Readiness Incentive and Approval.

(a) Any Incentive Applicant may request a Readiness Incentive by making a request to the City. This includes the City's Department of Economic Development, which may proactively initiate a request on behalf of a Property Owner or Tenant.

(b) After a request is received, Economic Development staff will set up a meeting with the Incentive Applicant to discuss the proposed Project.

(c) After the Incentive Applicant meets with Economic Development, the Incentive Applicant may submit its application on the form provided by the City. The application will include, among other things, a Project scope of work, a copy of the lease agreement (for Tenants) or letter of intent, investment details, and projected job creation and/or retention.

(d) After receiving an application, Economic Development staff will then review the application to verify eligibility and will run a return-on-investment calculation.

(e) If staff determines that a Project is eligible, staff will then make a recommendation to the City Council subcommittee charged with economic development oversight. In special cases concerning Project timing, the SLDC Board may meet in executive session to discuss the Project. The City Council subcommittee charged with economic development oversight is responsible for reviewing the requests and making recommendations to the SLDC. The City Council subcommittee charged with economic development oversight may develop policies and procedures for processing requests that are not inconsistent with this Policy or State law.

(f) The City Council subcommittee charged with economic development oversight will review all requests it receives. If the City Council subcommittee charged with economic development oversight believes the SLDC should grant a Readiness Incentive to the Incentive Applicant, it will submit the request to the SLDC along with its recommendation of the terms and conditions under which the Readiness Incentive should be granted. If the City Council subcommittee charged with economic development oversight believes that the Readiness Incentive should not be granted to the Incentive Applicant, no further action will be taken on the request unless the Incentive Applicant requests in writing that the City Council subcommittee charged with economic development oversight submit the request

and its negative recommendation to the SLDC.

(g) A Performance Agreement must be approved by the affirmative vote of four or more SLDC members at a regularly scheduled meeting.

K. Exhibits. The following exhibit is attached hereto as Exhibit A and made a part of this Policy:

Exhibit A - Office Readiness Boundaries Map

PASSED AND APPROVED on _____, 2026.

Stewart Jacobson, President

ATTEST:

Linda Mendenhall, City Clerk

APPROVED AS TO FORM:

DAnn Shea Smith