

CITY OF PLANO

POLICY STATEMENT FOR RETAIL REVITALIZATION PROGRAM

Effective XX-XX-XXXX

--DRAFT--

I. Purpose

The City of Plano, Texas is committed to the promotion and retention of high-quality developments throughout the City and to an ongoing improvement in the quality of life for all Plano residents and businesses. The City of Plano will, on a case-by-case basis, consider providing financial grants, loans, and lending of personnel and services to promote economic development and stimulate business and commercial activity in Plano.

The purpose of this Policy Statement is to define the program goals, project eligibility, and guiding principles for the City of Plano's Retail Revitalization Program. This Policy Statement also establishes criteria for persons or entities interested in receiving economic development program grants and other support from the City. Nothing herein shall imply or suggest the City of Plano is under any obligation to provide any incentive to any applicant.

This Policy Statement aligns the City's Policy Statement for Economic Development Incentives Program.

II. Overview

Due to the abundance of retail zoning in Plano's development history and changes in retail consumer trends, these areas are increasingly susceptible to decline. Continued maintenance, renovation, and revitalization are strongly encouraged to sustain the vitality and attractiveness of retail centers.

The Revitalization of Retail Shopping Centers Policy in the Comprehensive Plan states that Plano will encourage reinvestment, revitalization, and redevelopment of underperforming retail centers to accommodate a viable combination of local commercial, retail, and entertainment uses. Where appropriate transitions can be maintained, redevelopment may present opportunities to introduce residential uses and improve access.

The Retail Revitalization Program is designed to promote the redevelopment and revitalization of underperforming retail centers so they can contribute positively to surrounding residential neighborhoods and increase the City's tax base.

III. Goals

A successful economic development approach responds to the needs of the community, illustrates resiliency during dynamic market conditions, utilizes a proactive intervention strategy, and is guided by shared community values. The following are goals of the Retail Revitalization Program:

1. Improve the economic viability and attractiveness of existing retail and commercial real estate.
2. Stimulate private investment.
3. Partner with commercial property owners to develop creative design solutions which are compatible and complement existing adjacent neighborhoods.
4. Decrease and 'right-size' the city's inventory of retail square footage to respond to current market conditions.
5. Improve walkability and the public realm.
6. Upgrade primary roadway corridor streetscapes, signage, and landscaping.
7. Increase the tax base of older commercial retail centers and underutilized commercial properties.
8. Align existing retail centers with the City's Comprehensive Plan, including but not limited to the following Action Statements:

- RSSC1. Working with neighborhoods and property owners, identify retail corners that are prime candidates for redevelopment and reinvestment.
- RSSC2. Develop a reinvestment toolkit for neighborhood retail corners which could include rezoning, fee waivers, or other incentives and planning assistance. When evaluating use of the toolkit for specific redevelopments, additional weight should be given to proposals that enhance surrounding neighborhoods, improve community aesthetics, and maximize the return to taxpayers.
- RSSC3. Modify regulations to promote retail center redevelopment inclusive of creative design solutions, active open space, adequate green space, sustainable retail, and walkable streetscapes to create desirable destinations.
- RSSC4. Establish design guidelines that provide safe connections for residents to conveniently access commercial businesses, open space, and other amenities in retail centers. Implementation should be limited to locations where connections are desired by the adjoining neighborhood.

IV. Eligibility

Any person, organization, or corporation seeking an economic development incentive must comply with the following criteria. Nothing within these criteria shall imply or suggest that Plano is under any obligation to provide any incentive to an applicant. Prior to applying, the applicant should meet with the Plano Special Projects Development to determine project eligibility and review application requirements.

Subject parcel(s) shall demonstrate resultant positive impacts on adjacent residential neighborhoods, where applicable. Positive impacts shall include improved landscaping, sound mitigation, updated building façades and signage, creation of open space, reduced parking lot areas, reduced light pollution, and improved vehicular and pedestrian circulation.

Site Eligibility

- Parcels shall include multi-tenant or single building retail centers.
- Subject parcels shall be a minimum of seven acres, or 60,000 square feet of total commercial building area, whichever is less. On a case-by-base basis, the City Manager or designee may consider sites which do not meet the minimum acreage or square feet if there is the likelihood of ancillary development in areas identified for redevelopment in the City's Comprehensive Plan.

V. Eligible Site Improvements

Both public and private site improvements may be eligible:

Public Improvements

- Improvements to the public right-of-way or infrastructure
- Additional public utility capacity to support development
- New public streets, signalization, and associated utility relocations
- Streetscape and landscape improvements including lighting, signage and sidewalks
- Civic art commissions and installations
- District wayfinding and branding signage
- Installation of underground electrical and cable lines
- Acquisition of additional right-of-way and easements
- Development of parkland and open space
- Installation of landscaped medians in public roadways
- Other building or site modernization improvements as determined by the City Manager

Private Improvements

- Demolition of building(s) or site features
- Construction of new site amenities (outdoor seating areas, programmable open space)
- Façade improvements
- Conversion of surface parking lot(s) to parking structure(s)
- Streetscape and landscape improvements including lighting, signage, and sidewalks
- Civic art commissions and installations
- Other building or site modernization improvements as determined by the City Manager

Public and Private Improvements will prioritize and align with Community Design Plan standards, as adopted by City Council, where available.

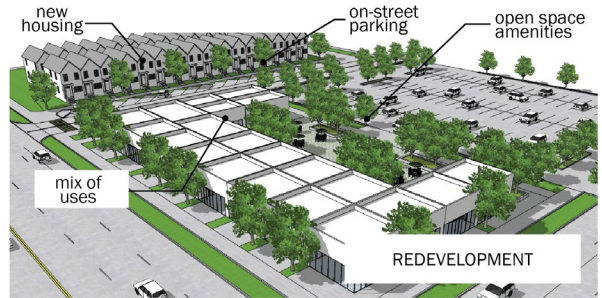
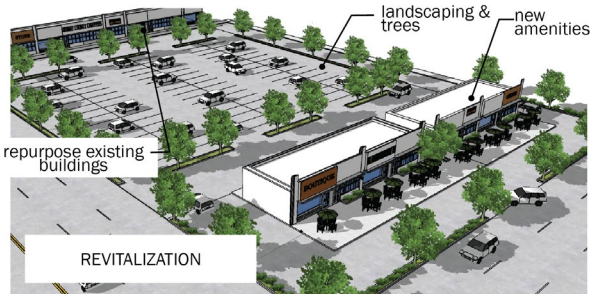
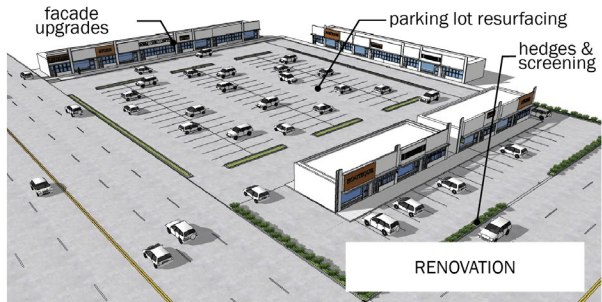
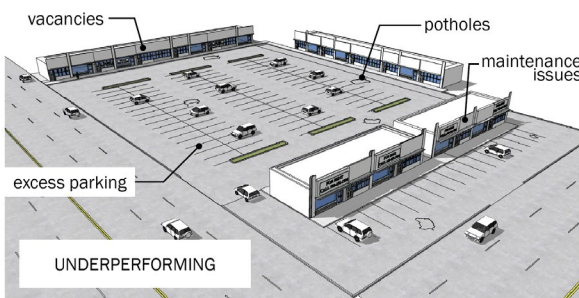
VI. Preferred Development Outcomes

All applicants will be considered on a case-by-case basis. Although the City will consider all applications for incentives that meet the eligibility requirements set forth in this Policy, the City is especially interested in supporting projects that are expected to produce a meaningful impact on the City, its economy, and meet or exceed one or more of the following preferred development outcomes:

- **Building Facades:** developments should demonstrate intent and financial ability to improve 100 percent of existing center façades, lighting, signage, and storefronts, or to raze and redevelop the existing buildings, as appropriate.
- **Open Space:** developments should incorporate outdoor seating areas, plazas, squares, parks and open space. These spaces can be either public or private. Developments which have plans to program and activate open spaces are encouraged.
- **Parking Lots:** developments should address underperforming surface parking lots with resurfacing. The addition of parking lot landscaping to limit the visual impact of parking and replacement of excess surface parking for open space amenities is encouraged.
- **Excess Retail:** developments should consider reducing excess retail square footage, where appropriate.
- **Walkability:** developments should improve walkability throughout the development with new sidewalks, trails, and plazas to connect land uses and parking areas. All streets should include sidewalks.

- Integration of Uses: developments should integrate new uses beyond retail. The introduction of residential uses is encouraged where buffered from adjacent neighborhoods and are provided in a context-sensitive manner. Residential uses should meet the City’s Comprehensive Plan.
- Impacts on Adjacent Neighborhoods - adequate and improved buffering, walls and landscaping should be considered between the development and adjacent land uses. The development should provide pedestrian or vehicular linkages to surrounding land uses.

Illustrations of how a underperforming retail center can phase improvements are provided below. These illustrations are also included in the City’s Comprehensive Plan for the Community Corners Future Land Use Map designation.



VII. Comprehensive Plan & Infrastructure Alignment

Prior to submitting any application for incentive, the applicant should review the City’s Comprehensive Plan along with existing water, sewer, and roadway plans to determine if the use is supported and if additional infrastructure capacity is warranted for the new development.

VIII. Summary of Retail Revitalization Incentive Programs

Retail Revitalization Projects may qualify for all or some of the following grants. Grant award types and grant award amounts are at the discretion of City Council.

1. **Location Grant:** A grant direct to the tenant to help locate the business to Plano. This grant shall be limited to those tenants of such caliber and type that the retail center's vibrancy would exponentially rise for the better.
2. **Lease Buy-Downs:** A grant to aid a landlord to buy-down and/or terminate a tenant's lease. This will only be granted if the tenant is inhibiting the revitalization of the retail center. Proof of its negative impact will be required as part of grant application requesting this program.
3. **Façade Improvements:** A grant that updates the retail center's exterior aesthetics. The use of this grant should include the entire retail center. Branding the center to match tenants marketing package will not be eligible.
4. **Demolition:** A grant to demolish a portion and/ or the entire retail center.
5. **Landscaping:** A grant to improve the landscaping across the retail center. Scope may include areas along the public right of way; parking lot islands; foundation plantings; and screening. The grant should be for landscaping above the minimum standards required by the City.
6. **Lighting:** A grant to improve general lighting for the retail center (parking areas, facades, security).
7. **Signage:** A grant to create and implement a unified sign package across a retail center. Shopping center pylon signs that are improved to match the new facades; and, unique creative signs which will define the place also be considered for grants.
8. **Paving/ Utilities:** A grant to improve access drives; medians; parking areas; interior circulation in the retail center; and the undergrounding of overhead utilities. Grants are not intended to assist with active property standard violations.
9. **Neighborhood Pedestrian Connections:** A grant to improve pedestrian access to and across the retail center. This grant will be dependent on active neighborhood involvement by the owner on where, or if, connections can be made.

A summary of general incentive programs is described in the City's Policy Statement for Economic Development Incentives Program.

IX. General Application Requirements and Procedures

Application Process

To begin the process, an application must be completed and submitted to the Plano Special Projects Department, along with a construction budget, preliminary drawings, scope of work, and the Company's most recent annual audit. Changes to the site or land use(s) which require zoning or site plan approval by the City of Plano's Planning Department must be approved prior to incentive application approval.

- A. All information in the application will be reviewed for completeness and accuracy. The Company's most recent annual audit and company financials may also be reviewed by City. Additional information may be requested, as needed. The City Manager may use City personnel and third parties to assist in the application review process.
- B. The City will invite the applicant to attend a staff meeting on incentives where members of the City will review the application and receiving a briefing from the company about the proposed project.
- C. Upon review, the City Manager will determine whether it is in the best interests of the City to recommend an incentive be offered to the applicant. If an incentive is recommended, it will be presented to the City Council in Executive Session. The proposed incentive recommendation by the City Manager does not bind the City Council to provide any incentive. It is subject to the City Council's final approval.
- D. Upon receipt of the proposal, the applicant will have 90 days to accept, decline, or request an extension of the proposal. All responses and requests must be made in writing to the City Manager. In certain circumstances, the City Manager may alter the time frame.
- E. Upon written agreement by the applicant to the proposal, the applicant shall produce architectural plans and renderings, site plans, final cost projections, and phasing timetables for proposed building and site improvements. These materials will be forwarded to the City Council.
- F. The City Council will consider approving the terms and conditions of an agreement between the City and the applicant for an economic incentive(s). In general, economic development agreements will include the following provisions:
 - 1) Recapture of all incentive value provided in the event of default by the party to the agreement.
 - 2) No assignment of the agreement in whole or part by the applicant without prior approval of the City.

- 3) Certification of the entity receiving the incentive that it has complied with the terms and conditions of the incentive agreement.
- 4) Right of inspection to records must be provided to ensure compliance with the agreement.

X. Economic Impact Report

An economic impact report will be developed by the City for applicable economic development incentive requests based on information provided in the application. This report will summarize the employment, fiscal and community impact of the project, value of incentive, city-associated costs, net financial benefits, and the rate of return/payback period.

XI. Administrative Authority

The City Manager or designee has been authorized by the Plano City Council to administer and approve specific items related to economic development incentive agreements. This authority is described in the City's Policy Statement for Economic Development Incentives Program.

XII. Program Restrictions

The following are restrictions for the Retail Revitalization Policy:

1. **Pad Sites:** Pad sites are not eligible under this policy unless the pad site is to be absorbed by the larger centers.
2. **New Retail:** Retail spaces that are not part of a redevelopment project are not eligible under this policy.