
ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION

REGULAR MEETING
7:00 A.M. – CITY HALL
305 N. ARCH STREET
ROYSE CITY, TEXAS 75189
MINUTES – SEPTEMBER 24, 2019

APPROVED AS CORRECTED OCTOBER 22, 2019, 6:0

<u>Members Present</u>	<u>Employees Present</u>	<u>Other:</u>	<u>Members Absent:</u>
Dena Elder	Charles Houk, CDC Director	Vanessa Stahl (RC Chamber Director)	
Bobby Gladu	Tonya Brown, Secretary	Ashlee Burke (RC Chamber)	
Richard Pense		Gary Sanders – Native Station	
Clay Ellis		Ron Jenkins - Resident	
Michael Holder		Lee Loveless – Guaranty Bank	
Jesse Vaughn (7:06) (8:02)			

A. CALL TO ORDER

Announce the presence of a quorum.

At 7:01 A.M., Ms. Elder called the meeting to order and asked the new visitors in attendance to introduce themselves; Mr. Ellis gave the invocation.

B. DISCUSSION AND ACTION REGARDING MINUTES AND SALES TAX COMPARISON

Sales tax revenue for September 2019 in comparison to September 2018 increased by 22.6%. There was an overall increase of 15.4% over the last 12 months. No discussion took place regarding the minutes or financials.

ACTION (7:03 A.M.)

- a. Mr. Ellis made a motion to approve the August 27, 2019 meeting minutes;
- b. Mr. Gladu seconded the motion;
- c. The motion passed 5:0.

C. DISCUSSION REGARDING INCENTIVE DOLLARS SPENT AND ENCUMBERED

The total encumbered amount for incentives is \$ 247,984. This includes \$125,000 to Native Station, \$100,000 to SGRE and \$22,984 for Collin Co. Rd. 1031. Incentive dollars spent since Jan1, 2018 remains unchanged; \$255,010.86 as of September 16, 2019.

D. CITIZENS PARTICIPATION

This period is reserved for citizens to discuss items not listed on the agenda. Persons may have three (3) minutes to address the board, however, by law, no action or discussion will be taken on these items.

- No citizen participation.

E. RECESSED REGULAR SESSION TO OPEN PUBLIC HEARING AT 7:04 A.M.

- i. SGRE to incentivize Starbucks
- ii. Resolute Compliance to assist with the buildout of lease.

F. ADJOURNED PUBLIC HEARING at 7:05 A.M.

G. RECONVENED OPEN SESSION AT 7:05 A.M.; ANY ACTIONS TAKEN AS A RESULT OF PUBLIC HEARING ARE LISTED BELOW

SGRE - Starbucks:

- No action was taken.

Resolute Compliance:

- No action was taken.

H. DISCUSSION AND ACTION REGARDING REMOVING FORMER EXECUTIVE DIRECTOR FROM CHECKING ACCOUNT AND ADDING AN ADDITIONAL SIGNER

After a brief discussion, the following action took place:

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ACTION

- At 7:06 A.M, Mr. Ellis made a motion to add President Dena Elder and remove former Executive Director Larry Lott from the checking account;
- Mr. Pense seconded the motion;
- The motion passed 6:0

I. DISCUSSION AND ACTION REGARDING PARTICIPATION IN THE 2020 CENSUS COMPLETE COUNT COMMITTEE

We were approached by Ken Leonard with the Dallas Regional Census Bureau who asked if we would participate in a Complete Count Committee. Mayor Janet Nichol has agreed to be the point person for this committee. Historically, for various reasons, certain individuals do not like to be counted; the Complete Count Committee will serve to encourage those individuals to participate. Mr. Leonard has requested that the CDC participate by allocating at least \$3,000 to provide meals, prizes and bounce houses for kids at the events the committee will host in an effort to get those individuals to participate. As a CDC, demographics play a large role in what we do, having a complete and accurate count is important to us and our city. The board agreed on the importance of participating but felt the city should contribute financially as well.

ACTION

- At 7:10 A.M., Mr. Pense made a motion to table the item until Mr. Houk can gather more information regarding the city's participation, and present the item at our meeting in October;
- Mr. Gladu seconded the motion;
- The motion passed 6:0.

J. DISCUSSION AND ACTION REGARDING ACCEPTANCE OF HAIR JUNKIE'S WITHDRAW FROM THE INCENTIVE GRANTED (TO THEM) ON 4-23-19

The owners of Hair Junkie have withdrawn their acceptance of the incentive granted to them on 4-23-19; they are have changed design direction and are moving forward with the project without the CDC's reimbursement grant.

ACTION

- At 7:11 A.M., Mr. Vaughn made a motion to accept Hair Junkie's withdraw from the incentive;
- Mr. Ellis seconded the motion;
- The motion passed 6:0.

[Mr. Houk's acceptance of the Executive Director position left a vacancy on the CDC Board. Before recessing into closed executive session to deliberate the candidates applying to serve on the board, board members asked the individuals applying to discuss their background and interest in serving.]

K. RECESSED INTO CLOSED EXECUTIVE SESSION

At 7:22 A.M., regular session recessed into closed executive session in compliance with the Texas Government Code to Wit:

- i) Section 551.087 – Deliberation regarding economic development negotiations
 1. Deliberation regarding the Thirsty Bro incentive as it pertains to the repayment of the Fire Station.
- ii) Section 551.074 – Personnel
 2. Deliberation regarding appointing a new board member.

L. ADJOURN CLOSED EXECUTIVE SESSION

At 7:58 A.M., Ms. Elder adjourned the closed executive session.

M. RECONVENED OPEN SESSION AND TOOK ANY NECESSARY ACTION AS A RESULT OF EXECUTIVE SESSION DELIBERATIONS

At 8:00 A.M., Ms. Elder reconvened open session.

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ACTION

Section 551.087 – Deliberation regarding Economic Development Negotiations:

1. Repayment of Fire Station
 - No action.

Section 551.074 – Personnel:

2. Appointment of new board member
 - Mr. Gladu made a motion to appoint Lee Loveless to fulfill the duration of Mr. Houk's term;
 - Mr. Vaughn seconded the motion;
 - The motion passed 6:0.

N. DISCUSSION AND ACTION REGARDING APPOINTING A NEW TREASURER

Mr. Houk served as Treasurer of the CDC Board, again, his acceptance of the Executive Director position resulted in a vacancy for this officer position.

ACTION

- At 8:01 A.M., Mr. Ellis made a motion to appoint Mr. Pense as Treasurer;
- Mr. Vaughn seconded the motion;
- The motion passed 6:0

O. DIRECTOR'S REPORT: CHARLES HOUK

MINI STORAGE

We've had several inquiries regarding storage units, but overall, the costly fire safety requirements outlined in the city's ordinances have kept them from building here. We recently spoke to an individual interested in building in RC, who has built several storage facilities and maintains that the fire safety requirements will not hinder his project.

ERBY CAMPBELL DEVELOPMENT

John Marlin went before council to gauge interest on a traditional mixed-use development, as outlined in our Comp. Plan, for the area south of Walmart. The property faces several challenges such as railroad tracks, a cell tower, flood plain, power station, etc.

RESIDENTIAL DEVELOPMENT

- 1) Wynne Jackson went before Planning and Zoning to discuss their concept plan and will continue to work thru issues facing their development.
- 2) The concept plan for the Hines' Development located off S.H. 66, has been approved.
- 3) The dirt work for Parkside Village has begun; we expect to see homes within 6 months.
- 4) Ridge Park and the property directly north of it, went back to the bank; interest is currently being shown on Ridge Park. Mr. Houk is trying to connect the party interested in Ridge Park with the developer of the property to the north to work together to develop that are. (As is typically the case, infrastructure is an issue and will continue to be until Bear Pen Creek installs its infrastructure. Infrastructure is also an issue at phase 3 and 4 of Hidden Creek, Rob Whittle's proposed multi-family development, and the last phase of Highlands of McKamy. We working to get the three developers to work together on the infrastructure issue.)
- 5) The DeBerry Development, south of Woodland Creek, is nearing final approvals; we expect construction to begin within the next 6 months.

UPDATE REGARDING PERFORMANCE AGREEMENTS

- 1) We have finalized performance agreements for Thirsty Bro and Smoke Sessions, however, the city currently owns the two properties (approx. 0.5 acres adjacent to the Splash Park and the Fire Station property) listed in the agreements; we cannot execute the Performance Agreements until we own the property listed in each agreement. We are working with the city to get the deed transfers underway; one

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agreement with the city requires the CDC to transfer the deed to Cookston Court to the city in exchange for the approximate 0.5 acres adjacent to the Splash Park; we expect this deed exchange to occur first. Both Smoke Sessions and Thirsty Bro will have to sign a lease agreement.

- 2) Today was the second Public Hearing for SGRE (Starbucks); as of today, (9-24-19) the Performance Agreement has been executed. The deadline to begin construction on the shell of the strip center is October 1, 2019; it is our opinion that developer Elliot Gerstenhaber has satisfied that deadline.
- 3) Native Station's Performance Agreement was executed on September 20, 2019.
- 4) As discussed, Hair Junkie's incentive has been withdrawn.
- 5) Resolute Compliance's first Public Hearing was held today, the second Public Hearing will take place at our October meeting.

OUTDOOR ENTERTAINMENT COMPLEX INQUIRY

We had an inquiry regarding a public-private mixed-use entertainment facility. We will continue to follow up with this opportunity.

UPCOMING TRAINING AND TRADE SHOWS

Mr. Houk recently attended a trade show and will soon attend the Basic Economic Development training course. His goals for Royse City include bringing primary jobs to the community. While he feels attending trade shows is still important, he plans to focus his time prospecting companies that can fill our void of manufacturing, industrial, technology &/or energy sector jobs.

P. MAIN STREET DIRECTOR'S REPORT: PAULA MORRIS

224 E. MAIN STREET

This building is located next to Luigi's with the green awning; it has been leased by Pampered Nails who currently remodeling it.

204 N. ELM

Ms. Morris informed the board that the Downtown Main Street District runs out further than just down Main Street; the district also runs down Elm to Old Greenville and to Church Street. The business, Quilt Cottage, located at this address is part of the Main Street District.

107 N. HOUSTON

This the second house on the left, if you are turning off S.H. 66 onto Houston. This house is in the process of being remodeled; Songbird Assessment Therapy will occupy this space.

213 ELM

This will be the new location for Hair Junkie. The rendering they had originally shown was provided by the state and did not require further approval, however, it was for the house that occupied the property but has since then been demolished. Due to the length of time, it would take to get a new rendering from the state, they have decided not to go thru the state. The new renderings they submitted to the Heritage Committee for approval are for a new building.

EVENTS

- Oct. 7 – delivery of pumpkins at 5 p.m. for Pumpkin Patch;
- Oct. 8 – Pumpkin Patch opens and remains open thru the end of the month;
- Oct. 9 – Pep rally at 6 p.m.

[Mr. Houk asked Ms. Morris about new lamp posts for Downtown. Ms. Morris announced that her FY2020 budget does include new lamps posts for the downtown area and the process to do so will begin in October.]

Q. ADJOURNMENT

- At 8:20 A.M., Mr. Ellis made a motion to adjourn the meeting.
- Mr. Gladu seconded the motion
- The motion passed 5:0 (Mr. Vaughn left the meeting at 8:02 a.m.)

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ATTEST:

Secretary
Tonya Brown

President
Dena Elder

Vice President
Bobby Gladu