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**ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION**

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REGULAR MEETING  
7:00 A.M. – CITY HALL  
305 N. ARCH STREET  
ROYSE CITY, TEXAS 75189  
MINUTES – APRIL 28, 2020  
APPROVED 5-26-20, 6:0

<u>Members Present</u>	<u>Employees Present</u>	<u>Other:</u>	<u>Members Absent:</u>
Dena Elder	Charles Houk, CDC Director	Carl Alsabrook	
Bobby Gladu	Tonya Brown, Secretary	Russell Ratterree	
Richard Pense			
Lee Loveless			
Michael Holder			
Clay Ellis			
Jesse Vaughn			

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**A. CALL TO ORDER**

Announce the presence of a quorum.

At 7:04 A.M., Ms. Elder called the meeting to order and Mr. Ellis gave the invocation.

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**B. DISCUSSION AND ACTION REGARDING MINUTES AND SALES TAX COMPARISON**

Sales tax revenue for April 2020 (\$74,926) increased by 12% over April 2019; the change for the rolling 12-month period is a 16% increase. Mr. Houk cautioned that while we are still seeing an increase in sales tax revenue, soon we will experience a decrease as a result of COVID-19.

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**ACTION (7:08 A.M.)**

- Mr. Gladu made a motion to approve the March 23, 2020 Special Called Meeting minutes and the current financial report;
- Mr. Holder seconded the motion;
- The motion passed 7:0.

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**C. 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.

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**D. DISCUSSION REGARDING CURRENT INCENTIVES TO CONSIDER AND ACT ON POSSIBLY EXTENDING PERFORMANCE AGREEMENT DEADLINES IN RESPONSE TO COVID-19**

Mr. Houk reviewed the outstanding/encumbered incentives. Currently, Native Station and Elliot Gerstenhaber's building (Starbucks) is moving along on schedule, barring any bad weather, they each feel they will meet their given deadlines. Smoke Sessions has slowed down on the permitting side due to COVID-19 and social distancing within the city department; they are moving along but feel they need an extension on the completion date of July 1, 2020. Thirsty Bro, is having funding issues due to banks focusing on government PPP programs. (Board member Lee Loveless, President of Guaranty Bank in Royse City confirmed how lending institutions are being affected by all the PPP loans. He also stated that once the loans are finalized the forgiveness part of the loans will begin, leaving much uncertainty on when lending institutions will return to business as usual) In light of the extension we recently granted Thirsty Bro, the CDC has not requested rent payments as structured in the original Performance Agreement and lease. Mr. Houk expressed the need to remain sensitive to the negative effects on our businesses due to government-imposed restrictions to operate to help prevent the spread of COVID-19.

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**ACTION**

No action at this time

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**E. DISCUSSION REGARDING THE PURCHASE OF PROPERTY**

Mr. Houk explained that the CDC would benefit in purchasing property for future development. Mr. Houk believes; 1) it would allow more control over the use of the property, 2) serve as stronger bargaining power when trying to recruit business development for our community, 3) they aren't making more of it and 4) if nothing else, over time, the land value will increase and we could make a profit by selling it. Mr. Houk suggested the CDC purchase land thru a traditional loan.

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### F. RECESSED INTO CLOSED EXECUTIVE SESSION

At 7:41 A.M., Ms. Elder recessed into closed executive session in compliance with the Texas Government Code to Wit:

1. SECTION 551.087 – DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS:
  - a. DELIBERATION REGARDING PAYING HALF OF THE APPRAISAL FEE (NOT TO EXCEED \$1000.00) TO LOWELL MOON FOR PROPERTY ID:14665, LEGALLY DESCRIBED AS, BUSINESS, BLOCK C, LOT S 43' OF LOT 19 & PT OF 18, LOCATED IN ROCKWALL COUNTY, ROYSE CITY, TX, TO DETERMINE PROPERTY VALUE FOR CONSIDERATION OF PURCHASE TO PROVIDE ECONOMIC BENEFIT TO THE CITY OF ROYSE CITY.
2. SECTION 551.072 – DELIBERATION REGARDING REAL PROPERTY:
  - a. DELIBERATION REGARDING THE PURCHASE OF 25 – 200 ACRES OF PROPERTY IN COLLIN/HUNT COUNTY PORTION OF ROYSE CITY FOR THE PURPOSE OF FUTURE ECONOMIC DEVELOPMENT PROJECT(S)

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### G. ADJOURN CLOSED EXECUTIVE SESSION

At 8:43 A.M., Ms. Elder adjourned the closed executive session.

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

At 8:43 A.M., Ms. Elder reconvened open session.

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#### ACTION (8:43 A.M.)

1. ECONOMIC DEVELOPMENT NEGOTIATIONS:
  - Mr. Pense made a motion to pay half of the appraisal fee (not to exceed \$1000.00) to Lowell Moon for the property as described above (property id:14665)
  - Mr. Ellis seconded the motion.
  - The motion passed 6:0 (Ms. Elder recused herself)
2. REAL PROPERTY:
  - Mr. Gladu made a motion to table the purchase of the 25-200 acres as described above, until next month's meeting
  - Mr. Vaughn seconded the motion.
  - Motion carried 7:0

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### I. DIRECTOR'S REPORT: CHARLES HOUK

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#### 1. RCCDC DISASTER RELIEF FUND PROGRAM

- **28 business requests have been funded,**
  - 4 home-based businesses and 1 operating without a C.O., were denied,
  - 1 will be funded today
  - 3 are pending
  - 3 lack verification
  - \$141,300 has been issued to local businesses; representing 210 jobs (118 fulltime, 79 part time, 13 contract)

#### 2. NEW WEBSITE UPDATE

- Design concept has been established
- CDC efforts have been focused on COVID relief program and have not reviewed content

#### 3. ICSC RECON UPDATE

- Recon has been postponed. It will be important to continue to plan to get in front of businesses and are aggressive in moving forward with the growth of our city.

#### 4. CATALYST COMMERCIAL PROCESS

- Has performed a lot of the preliminary work

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- **Has prepared a pitch book (demographics, comparative demographics, cell-phone and license plate data, etc. to include info such as:**
  - **Just over 13,000 in Royse City**
  - **Just over 15,000 live in RC & ETJ**
  - **The primary trade area includes 237,000 people (tracking cell phone usage) shopping in Royse City at least 5 or more trips at 5 or more retailers. Two of the most frequented retailers were Walmart and Buc-ee's, the other three were more unique to Royse City.**
  - **The secondary trade area is comprised of 630,000 people**
  - **They have also completed a gap/leak analysis**
- **Mr. Houk and Jason Claunch with Catalyst Commercial plan to get ahead of the curve of recruiting industries/businesses**

**J. ADJOURNMENT**

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- **At 8:56 A.M., Mr. Gladu made a motion to adjourn the meeting.**

**ATTEST:**

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Secretary  
Tonya Brown

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President | Vice President  
Dena Elder | Bobby Gladu