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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 – AUGUST 24, 2021  
APPROVED 9-21-21, 7:0

<b>Members Present</b>	<b>Employees Present</b>	<b>Other:</b>	<b>Members Absent:</b>
Dena Elder, President (ZOOM)	Charles Houk, CDC Director	Ashlee Burke-RC Chamber of Commerce	Michael Holder (8:45)
Bobby Gladu, Vice President	Tonya Brown, Secretary (ZOOM)	Steven Adams- Spec. Pubic Finance, INC	
Richard Pense, Treasurer		Laura Hoffman-NUTEX	
Michael Holder		Dr. Matthew Young-NUTEX	
Gary Sanders (ZOOM)		Cindy Young-NUTEX	
Clay Ellis		Russell Ratteree – Realtor, Councilman	
Jesse Vaughn II, (ZOOM)		Wendy Johnson- Realtor	
		Jason Claunch- Catalyst Comm.(teleconference.)	

**A. CALL TO ORDER**

Announce the presence of a quorum.

- At 7:02 A.M., Ms. Elder called the meeting to order. Mr. Ellis gave the invocation.

**B. DISCUSSION AND ACTION REGARDING MINUTES AND FINANCIAL UPDATE**

July 2021 sales tax revenue (\$136,886) increased by 14.1% over July 2020 (\$119,943). For the rolling 12 months, we experienced a 22.4% increase.

**ACTION (at 7:04 A.M.)**

- Mr. Pense made a motion to approve the July 27, 2021 meeting minutes.
- Mr. Ellis seconded the motion.
- The motion passed 7:0

**C. CITIZEN'S 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.**

**D. DISCUSSION REGARDING CURRENT INCENTIVES**

- **Native Station:** Work continues. Still awaiting high pressure gas line. September 9, 2021 is the anticipated soft opening date.
- **Collin County Road 1031:** no updates.
- **Smoke Sessions:** Awaiting confirmation to determine whether or not the current parking lot improvement complies with the plans they submitted to the city.
- **Thirsty Bro Brewing:** Mr. Houk met with Mr. Gordon and his business partner. City Attorney Jason Day and Development Services representative Jeff Stapleton attended the meeting as well. Mr. Gordon is still having issues with his architect. His lease is current but his Performance Agreement has expired. If he chooses to request a new incentive, he will need approval from the CDC Board and City Council, which he has indicated he will do.
- **Dust Free:** We are still waiting on City Attorney Jason Day's comments to finalize the Performance Agreement.

**E. PRESENTATION BY STEVEN ADAMS (SPECIALIZED PUBLIC FINANCE, INC.) REGARDING RCCDC'S BOND CAPACITY ANALYSIS**

Mr. Adams discussed in detail the findings of the analysis. Based on current prospective projects, both taxable (projects that benefit a company) and non-taxable (governmental/city projects that benefit the community) projects were

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analyzed. Planning conservatively, in summary, the findings were as follows: 1) for a tax-exempt project the RCCDC could bond anywhere from \$10MM over 20 years up to \$13.8MM over 30 years, 2) for taxable projects, we would be able to bond \$10.1MM over 20 years, \$11.7MM over 25 years, or \$13.2MM over 30 years.

**F. PRESENTATION BY REPRESENTATIVES OF NUTEX HEALTH REGARDING INCENTIVE REQUEST FOR ROYSE CITY ER & (MICRO)-HOSPITAL**

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NUTEX Health is plans to develop a doctor-owned micro-hospital. The micro- hospital would be 19,676SF, and open 24/7. It will offer MRI, CT scan, bedside emergency ultrasound, x-rays, and a full clinical lab. Construction is estimated to begin in early 2022 and is estimated to be completed in mid to late spring 2023. This project will provide a minimum of 20 new high-paying jobs and approximately 10 new part-time contractor jobs. The total project is estimated to cost \$12MM. NUTEX is requesting an incentive equal to 8.3% of the total project cost. The owners of the property will dedicate the right-of-way to the city for the extension of Mercantile Road; the city will reimburse NUTEX for 50% but NUTEX will pay the construction costs for the road.

**G. RECESSED INTO CLOSED EXECUTIVE SESSION**

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At 8:04 A.M., open session recessed into closed executive session in compliance with the Texas Government Code to Wit:

- i) Section 551.087 – Economic Development
  - (1) Deliberation regarding RCCDC bond and associated economic development projects: youth sports facility, community center, highway 66 land purchase, family entertainment concept.
  - (2) Deliberation regarding NUTEX Health incentive request.

**H. ADJOURNED CLOSED EXECUTIVE SESSION**

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At 8:31 A.M., executive session adjourned.

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

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At 8:31 A.M., reconvened open session.

**ACTION**

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Section 551.087 – Economic Development:

- i) [Economic Development:](#)
  - (1) [RCCDC Bond:](#)
    - [No action](#)
  - (2) [Incentive request from NUTEX Health:](#)
    - [Mr. Pense made a motion to grant \\$100,000 to NUTEX Health after they have received their certificate of occupancy plus \\$50,000 each year for 5 years as long as they meet the performance standards specified for that year as outlined in the Performance Agreement.](#)

**J. DISCUSSION AND ACTION REGARDING FY22 PROPOSED BUDGET**

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There were some changes in the categories for next fiscal year to reflect next years anticipated expenses. The new categories include site visits, strategic planning, and a general incentive category. We are projecting a revenue of \$1,465,646.96 and expenses totaling \$575,200.00 leaving a surplus \$890,446.96.

**ACTION**

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- At 8:39 A.M. Mr. Gladu made a motion to approve the budget as presented by Mr. Houk
- Mr. Holder seconded the motion.
- The motion passed 7:0

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### J. DISCUSSION AND ACTION REGARDING RENEWING PROFESSIONAL SERVICES AGREEMENT

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Mr. Claunch joined the meeting via teleconference. He is seeking the boards approval for renewing his professional services agreement with the RCCDC for \$30,500; his current contract expires in October 2021. Mr. Houk reviewed with the board, the services being provided under the current contract and Mr. Claunch updated the board on the progress/results of his efforts on those services and what we can expect in the future if the agreement is renewed.

#### ACTION

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- At 8:53 A.M., Mr. Vaughn made a motion to renew the professional services agreement between the RCCDC and Catalyst Commercial, INC for one year beginning Oct 22, 2021 and ending on October 22, 2022.
- Mr. Pense seconded the motion.
- The motion passed 6:0

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

- **PROPERTY AROUND WALMART:** A developer has approximately 80 acres around Walmart under contract. He has been discussing with the city a multi-use concept that would include a 500,000SF distribution center, multi-family, and flex-office space plus extending Mercantile Rd. to I-30 the service road behind Tractor Supply. The extension of Mercantile Road would provide a way back into Royse City without having to turn around in Fate.
- **ANDERSON CROSSING:** A new developer has this property under contract. Mr. Houk plans to discuss a master plan concept with the developer.
- **ROYSE CITY TOWN CENTER:** A retro-hamburger-diner has a contract on one of the pad sites at this development. The developer also has a couple other commercial business close to signing LOI.
- **COUNTY LINE ROAD OFF INDUSTRIAL:** Mr. Houk had discussions with two users regarding development to the 29 acres near Clarence Jorif's property which would be accessible via County Line Rd. County Line Rd. is on the City's thoroughfare plan, however, to date, it is a dirt path and inaccessible after rainfall. The city does not have any plans now or in the near future to build it. The RCCDC may need to play a crucial role in the construction of County Line Road for development of this area to provide access to potential users.
- **CATALYST COMMERCIAL UPDATE:**
  - We are in discussions with 5 grocers.
  - The national, big-box store we discussed previously is no longer looking until 2022.
  - Two national, quick-serve, chicken restaurants we interested and say we are ready but we need an anchor before they can consider developing here.
  - We are in discussions with 3 sit-down restaurants; 2 have committed to a tour but no date has been set, the other is evaluating the market.
  - The home improvement store continues to indicate that they are reviewing the market
  - We are in discussions with a half a dozen or so restaurants.
- Mr. Ellis asked about the interest status for a movie theater.
  - Mr. Houk indicated there was renewed interest and he has a call scheduled this coming Thursday.

### L. ADJOURNMENT

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- At 9:05 A.M. Mr. Ellis made a motion to adjourn.

#### ATTEST:

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Dena Elder – President or Bobby Gladu – VP

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Tonya Brown – Secretary