



ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION

REGULAR MEETING

TUESDAY, JUNE 27, 2023- 7:00 A.M.

CITY HALL CONFERENCE ROOM – 305 N. ARCH STREET – ROYSE CITY

CDC STAFF IN ATTENDANCE:

CDC DIRECTOR CHARLES HOUK - YES

CDC SECRETARY TONYA BROWN - YES

OTHER:**ASHLEE BURKE- CHAMBER OF COMMERCE****COUNCILMAN RUSSELL RATTERREE****PAUL DAAK (CITIZEN)****JAMES THOMPSON (BUILDING OWNER 103 E. MAIN)****OSCAR VELACSO & ROGER GUTIERREZ (TEXAS CAFÉ DINER)****BOARD IN ATTENDANCE:**

PRESIDENT DENA ELDER – YES/LEFT @ 8:13

VICE PRESIDENT BOBBY GLADU – NO

TREASURER RICHARD PENSE – YES

MEMBER, MAYOR CLAY ELLIS – YES

MEMBER BLAIR JOHNSON – YES

MEMBER, COUNCILMAN MICHAEL HOLDER – YES/LEFT @ 8:37

MEMBER RUSSELL THOMAS – YES

AGENDA TOPICS:**A. CALL TO ORDER AND INVOCATION:****AT 7:00 A.M., MS. ELDER CALLED THE MEETING TO ORDER; MR. ELLIS GAVE THE INVOCATION****B. DISCUSS AND CONSIDER APPROVAL OF THE MAY 16, 2023 MEETING MINUTES AND CURRENT FINANCIAL STATUS.****NO DISCUSSION TOOK PLACE REGARDING THE MINUTES. WE CONTINUE TO SHOW AN INCREASE IN SALES TAX REVENUE: 4.2% MONTH-OVER-MONTH & 12.6% OVER A ROLLING 12-MONTH PERIOD.****C. CITIZENS PARTICIPATION: N/A**

- i. Persons may have three (3) minutes to address the board. By law, the board: (1) may not deliberate on items not listed on the item agenda and (2) may only respond with a statement of fact, state policy regarding the issue, or propose placing the item on a future agenda for deliberation.

D. DISCUSS ACTIVE INCENTIVES:

1. DUST FREE: **CONSTRUCTION CONTINUES BUT AN EXTENSION WILL BE NEEDED; TO BE DISCUSSED IN OUR NEXT ITEM.**
2. NUTEX: **EXPECTED TO OPEN LATE JULY-EARLY AUGUST.**
3. MARKET PLACE WEST: **NOT MUCH HAS CHANGED IN THE DEAL. THE RETAIL TRACT IS MOVING FORWARD. ONCE THE DEVELOPER LANDS A BIG BOX USER, WHICH THE HE STATES HE IS CLOSE TO, WILL KICK IN THE PERFORMANCE AGREEMENT.**
4. NE DALLAS SURGERY CENTER: **THE PERFORMANCE AGREEMENT IS IN THE FINAL REVISION STAGE**
5. LISCOTTI DEV. CORP: **THE PERFORMANCE AGREEMENT IS IN THE FINAL REVISION STAGE**
6. NEXCORE GROUP: **THE PERFORMANCE AGREEMENT IS IN THE FINAL REVISION STAGE**
7. ANVIL: **OPEN AND DOING WELL. THE GRAND OPENING IS SCHEDULED FOR JULY 4TH.**

E. TAKE ACTION REGARDING THE EXTENSION OF DUST FREE INCENTIVE DEADLINE: AN ADDITIONAL EXTENSION IS NEEDED FOR THE COMPLETION OF THIS EXPANSION. MR. HOUK REQUESTED 90 DAYS. THEY ARE ADDRESSING SOME OF THE RECOMMENDATIONS ISSUED BY THE INSPECTORS.

- MR. ELLIS MADE A MOTION TO GRANT A 90-DAY EXTENSION.
- MR. JOHNSON SECONDED THE MOTION.
- THE MOTION PASSED 6:0.

F. DISCUSS FY 2023-24 BUDGET: MR. HOUK BRIEFLY REVIEWED THE BUDGET, SPOKE ABOUT THE BUDGET PROCESS, AND REQUESTED COMMENTS FROM THE BOARD. WE ANTICIPATE OUR ACTUAL INCOME TO COME IN ABOUT WHAT WE BUDGETED AND OUR OVERALL EXPENSES TO COME IN BELOW WHAT WE BUDGETED. DUE TO RECENT INCENTIVES, A BUDGET AMENDMENT WILL BE NEEDED. A SPECIAL CALLED MEETING/WORKSHOP WILL TAKE PLACE IN JULY.**G. INCENTIVE REQUEST PRESENTATION BY LANDLORD AND TENANT FOR A PROPOSED RESTAURANT AT 103 E MAIN ST. THE OWNERS OF TEXAS CAFÉ DINER ARE REQUESTING AN INCENTIVE FOR IMPROVEMENTS TO ALLEVIATE SOME OF THE COSTS OF OPENING A DINER AT 103 E. MAIN ST. THE BUILDING OWNER HAS ALSO REQUESTED AN INCENTIVE FOR IMPROVEMENTS TO THE BUILDING TO ACCOMMODATE THE BUSINESS OWNER.****H. DIRECTORS REPORT: CHARLES HOUK**

1. SMOOTHIE KING: **OPENED LAST WEEK.**
2. SHERWIN WILLIAMS: **EXPECTED TO OPEN IN 60 DAYS**
3. CHILOSO: **EXPECTED TO OPEN IN 60 DAYS**
4. FAMILY ENTERTAINMENT PROSPECT: **RESTAURANT, BAR & ACTIVITY. NEED 13 ACRES FOR THE FACILITY. CURRENTLY HAVE TWO LOCATIONS AND WILL BE OPENING 12 LOCATIONS IN THE NEXT 2 YEARS. MR. HOUK AND CITY MANAGER ALSABROOK WILL VISIT AN EXISTING LOCATION IN LUBBOCK WHILE THERE FOR SALES TAX TRAINING.**

5. **DISTRIBUTION/STOREFRONT BUILDING AND MULTI-TENANT CENTER PROSPECT:** A DISTRIBUTER LOCATED NEAR ROYSE CITY IS INTERESTED IN RELOCATING NEAR THE RCISD ADMIN BUILDING. THE PROJECT WILL INCLUDE A 5,100 SF BUILDING FOR THEIR OPERATION AND A 10K SF BLDG FOR A MULTI-TENANT CENTER. THEIR PRODUCTS ARE SHIPPED IN FROM THEIR FACTORY OVERSEAS. A SHOWROOM WOULD BE LOCATED AT THE FRONT OF THE BUILDING FOR TRAINING, SOCIAL MEDIA ADVERTISEMENTS, AND TO DISPLAY PRODUCTS. THEY WOULD HAVE STORAGE AT THE BACK OF THE BUILDING. CURRENT ANNUAL SALES RANGE FROM \$4M-\$6M. PARKING WILL BE AN ISSUE.
 6. **MERCANTILE BLVD EXTENSION:** PLANNING IS UNDERWAY. A SUPPLEMENTAL SURVEY, FLOOD STUDY, ROADWAY HORIZONTAL ALIGNMENT, AND TXDOT ACCESS RD ONE PLANNING AND DESIGN ARE IN PROCESS. A ZOOM MEETING IS SCHEDULED FOR JULY 7.
 7. **SE ERBY CAMPBELL & I-30:** STILL IN DISCUSSION. ACCESS INFRASTRUCTURE IS NEEDED. THERE IS ONE NATIONAL TENANT UNDER CONTRACT WITH SEVERAL OTHER PROSPECTS.
 8. **TOUR FOR MULTI-TENANT CENTER PROSPECT:** MR. HOUK HAS A MEETING SCHEDULED WITH TYLER ALLEY, THE DEVELOPER THAT BUILT THE SHOPPING CENTER WITH SMOOTHIE KIND, CHILOSO'S, ETC. HE IS LOOKING FOR HIS NEXT PROJECT IN ROYSE CITY. ACCORDING TO MR. HOUK, MR. ALLEY HAS PROVED TO BE A MAN OF HIS WORD WITH RESPECT TO HIS PROJECTS IN ROYSE CITY.
 9. **ICSC RECON OVERALL RECAP:** OVERALL THE CONVENTION WAS SUCCESSFUL. WE MET WITH AND CONFIRMED PROJECTS PLANNED FOR ROYSE CITY, MADE NEW CONTACTS. THERE WERE OVER 25,000 PEOPLE AT THE CONVENTION.
- I. **RECESS INTO CLOSED EXECUTIVE SESSION IN COMPLIANCE WITH TEXAS GOVERNMENT CODE TO WIT: AT 7:52 A.M.**
 - i. **SECTION 551.087 – DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATION**
 1. INCENTIVE REQUEST FROM LANDLORD AND TENANT FOR RESTAURANT LOCATED AT 103 E MAIN ST.
 2. DOWNTOWN PATIO PROJECT
 3. RETAIL RECRUITING UPDATE
 - J. **ADJOURN CLOSED EXECUTIVE SESSION: AT 8:37 A.M.**
 - K. **RECONVENE REGULAR SESSION AND TAKE ANY ACTION NECESSARY AS A RESULT OF EXECUTIVE SESSION DELIBERATIONS. AT 8:38 A.M.**
 1. **INCENTIVE REQUEST FOR RESTAURANT AT 103 E MAIN ST**
 - MR ELLIS MADE A MOTION TO APPROVE THE INCENTIVE REQUEST AS PRESENTED, FOR UP TO \$50K (TO THE RESTAURANT), AND TO AMEND THE CDC BUDGET TO REFLECT THE EXPENSE.
 - MR. JOHNSON SECONDED THE MOTION.
 - THE MOTION PASSED 4:0
 - MR. ELLIS MADE A MOTION TO GRANT AN INCENTIVE TO THE LANDLORD TO OFFSET THE COSTS OF THE FLOORING, A VENT-A-HOOD, AND A WALK-IN COOLER, NOT TO EXCEED \$50,000, AND TO AMEND THE BUDGET ACCORDINGLY.
 - MR. THOMAS SECONDED THE MOTION.
 - THE MOTION PASSED 4:0.
 2. **DOWNTOWN PATIO PROJECT**
 - MR. THOMAS MADE A MOTION TO ALLOW \$23K FOR FEES ASSOCIATED WITH THE PROJECT AND TO AMEND THE BUDGET ACCORDINGLY.
 - MR. ELLIS SECONDED THE MOTION.
 - THE MOTION PASSED 4:0
 3. **RETAIL RECRUITING UPDATE – NO ACTION.**
 - L. **ADJOURN – AT 8:41 A.M. MR. PENSE ADJOURNED THE MEETING.**

PASSED AND APPROVED BY THE COMMUNITY DEVELOPMENT CORPORATION OF THE CITY OF ROYSE CITY ON THE 25TH DAY OF JULY 2023.

DENA ELDER – PRESIDENT or (BOBBY GLADU-VP)

ATTEST: TONYA BROWN SECRETARY