

**CDC STAFF IN ATTENDANCE:**

CDC DIRECTOR CHARLES HOUK - PRESENT

CDC SECRETARY TONYA BROWN - PRESENT

**OTHER:**

KAYLYNN TRUSS

MR. TRUSS

ASHLEE BURKE

**BOARD IN ATTENDANCE:**

PRESIDENT DENA ELDER - PRESENT

VICE PRESIDENT BOBBY GLADU - PRESENT

TREASURER RICHARD PENSE - PRESENT

MEMBER, MAYOR CLAY ELLIS - PRESENT

MEMBER BLAIR JOHNSON - PRESENT

MEMBER, COUNCILMAN MICHAEL HOLDER - PRESENT

MEMBER RUSSELL THOMAS - PRESENT

**AGENDA TOPICS:**

- A. **CALL TO ORDER AND INVOCATION;** @ 7:03 AM MS. ELDER CALLED THE MEETING TO ORDER. MR. ELLIS GAVE THE INVOCATION.
- B. **DISCUSS AND CONSIDER APPROVAL OF THE JUNE 27, 2023 MEETING MINUTES AND CURRENT FINANCIAL STATUS;**  
SALES TAX INCREASED BY 4.6% OVER LAST JULY AND 10.6 OVER THE ROLLING 12-MONTH AVERAGE.
- MR. ELLIS MADE A MOTION TO APPROVE THE JUNE 27, 2023 MINUTES
  - MR. HOLDER SECONDED THE MOTION
  - THE MOTION PASSED 7:0
- C. **CITIZENS PARTICIPATION: NO CITIZEN PARTICIPATION**
- 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. **PRESENTATION FOR INCENTIVE REQUEST FOR K&E KINDER CARE LOCATED AT 207 HOWARD ST.**  
MRS. TRUSS SPOKE PASSIONATELY ABOUT HER FIELD, HER CHILDCARE METHODS, AND THE FINDINGS OF A STUDY DONE ON DAYCARE NEEDS IN ROYSE CITY'S TRI-COUNTY AREA. SHE PRESENTED A BUSINESS PLAN FOR HER DAYCARE IN ROYSE CITY'S HERITAGE DISTRICT. THE DAYCARE EXPANSION COSTS ARE ESTIMATED AT \$1.365M TO RENOVATE A HISTORIC HOME INTO A DAYCARE; THE OWNERS ARE INVESTING OVER \$300K OF THEIR OWN MONEY. THE PROJECT WILL HAVE SOME SALES TAX BENEFITS, PROVIDE 10-20 NEW JOBS, AND HELP FILL THE INCREASING CHILDCARE NEEDS OF THE COMMUNITY. THEY ARE REQUESTING A REIMBURSEMENT GRANT OF \$263,838.30.
- E. **PRESENTATION FOR INCENTIVE REQUEST FOR PROVIDENT ADDITION LOCATED AT THE SOUTHEAST CORNER OF ERBY CAMPBELL AND I-30.** MR. HOUK, CITY ATTORNEY JASON DAY AND PROVIDENT'S ATTORNEYS HAVE BEEN WORKING ON THIS PROJECT AS WELL AS THE CITY'S DEVELOPMENT DEPARTMENT, CFO, AND CITY ENGINEERING TO DEVELOP A PLAN FOR DEVELOPING THIS PROPERTY. THIS CORNER IS ESTIMATED TO BRING IN \$15M-\$20M PER YEAR IN TAXABLE SALES, IN ADDITION TO \$5-\$10 AD VALOREM VALUATION AND NUMEROUS JOBS. THE CITY HAS RECEIVED SITE PLANS FROM AN INTERNATIONAL BRAND CONVENIENCE STORE AND A NATIONAL BRANDED DRUG STORE. THE PROPERTY WILL BE RE-PLATTED TO SUIT ITS USERS. CITY COUNCIL IS CONSIDERING A CAPITAL IMPROVEMENTS AGREEMENT FOR THE PROJECT AS A WHOLE. SIGNIFICANT PAVING CHANGES WILL BE REQUIRED DUE TO ITS CURRENT LAYOUT AND TRAFFIC ISSUES. THE ESTIMATED COST IS \$600,000 AND IS ASKING THE RCCDC FOR HALF THE COSTS NOT TO EXCEED \$300,000. HE IS ALSO ASKING THE CITY FOR IMPACT FEE REIMBURSEMENTS VIA THE CAPITAL IMPROVEMENTS AGREEMENT. EACH OF THE THREE ENTITIES WOULD BE REIMBURSED THRU IMPACT FEE CREDITS AS USERS BUILD. THE DEVELOPER WOULD BE FIRST, THEN THE RCCDC, AND LASTLY, THE CITY.
- F. **DIRECTORS REPORT: CHARLES HOUK**
- 1. **ACTIVE INCENTIVE UPDATE:** INCENTIVE UPDATES HAVE BEEN MOVED TO THE DIRECTORS REPORT
    - 50/50 RANCH AND TEXAS CAFÉ DINER - WORK HAS STARTED. THEY EXPECT TO OPEN JAN. 1<sup>ST</sup>.
    - MERCANTILE BLVD. EXT - TOPO SURVEY IS COMPLETE. PRELIM FLOOD STUDY IS UNDERWAY. ROADWAY VERTICAL AND HORIZONTAL ALIGNMENT IS IN PROGRESS. WE SHOULD HAVE THE FINAL FLOOD STUDY IN THREE WEEKS.
    - NEXCORE – PERFORMANCE AGREEMENT IS WITH CITY ATTORNEY, JASON DAY
    - LISCOTTI – THE PERFORMANCE AGREEMENT IS READY TO SIGN
    - NE DALLAS SURGERY CENTER – PERFORMANCE AGREEMENT IS WITH CITY ATTORNEY, JASON DAY

- NUTEX – ROYSE CITY EMERGENCY HOSPITAL – HAS THEIR C.O. – SCHEDULED TO OPEN (~~OCTOBER 3~~).  
[CORRECT DATE IS AUGUST 3]
- MARKETPLACE WEST – NO CHANGE BUT HAVE RAMPED UP CONSTRUCTION
- DUST FREE – NO ESTIMATED DATE OF COMPLETION
- INACTIVE INCENTIVES – WE MAY ASK TO RESCIND INACTIVE INCENTIVES AT SOME TIME IN THE FUTURE
  - COLLIN CO. RD. 1031 – AMOUNT GRANTED IS NO LONGER VALID WITH TODAY'S PRICES
  - GOOLSBY – MAY LOOK AT INCENTIVES FOR FUTURE USERS
- 2. **ROSE CITY PARTNERS:** THE DEVELOPER, WHO HAS BEEN GREAT TO WORK WITH, ASKS WHAT THE CITY WANTS/NEEDS AND WHO ALSO BROUGHT US CHILOSOS, SMOOTHIE KING, AND SHERWIN WILLIAMS, IS LOOKING FOR HIS NEXT PROJECT.
- 3. **MERCANTILE BLVD UPDATE:** GIVEN DURING INCENTIVE UPDATE
- 4. **PATIO UPDATE:** STILL WAITING ON ENGINEERING. EXPECT TO HAVE A REPORT NEXT MONTH
- 5. **ANDERSON CROSSING UPDATE:** WILL ARE GETTING CLOSE TO HEARING ABOUT THEIR ASK FOR CAPITAL IMPROVEMENTS. MR. HOUK AND CITY MANAGER ALSABROOK WITH MEET WITH THE OWNER AND HIS DEVELOPMENT PARTNER ON AUGUST 7<sup>TH</sup>.
- 6. **SALES TAX TRAINING:** THIS TRAINING IS REQUIRED EVERY TWO YEARS. MR. HOUK AND CITY MANAGER ALSABROOK WILL ATTEND IN AUGUST. MR. HOUK ASKED IF ANY BOARD MEMBER IS INTERESTED IN ATTENDING.
- 7. **BUDGET/BUDGET WORKSHOP:** MR. HOUK GAVE REVIEWED THE BUDGET INCLUDING INCOME, EXPENSES AND PROJECTIONS, A BALANCE SHEET, AND A 10-YEAR PROJECTION OF ASSIGNED FUNDS FOR INCENTIVES. WE WILL HOLD A BUDGET WORKSHOP ON AUGUST 10, 2023.
- G. **RECESS INTO CLOSED SESSION IN COMPLIANCE WITH TEXAS GOVERNMENT CODE TO WIT: AT 8:09 A.M.**
  - i. **SECTION 551.087 – DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATION**
    - 1. INCENTIVE REQUEST FROM K&E KINDER CARE.
    - 2. INCENTIVE REQUEST FROM PROVIDENT ADDITION.
    - 3. RETAIL RECRUITING UPDATE.
- H. **ADJOURN CLOSED EXECUTIVE SESSION AT 8:25 A.M.**
- I. **RECONVENE REGULAR SESSION AND TAKE ANY ACTION NECESSARY AS A RESULT OF EXECUTIVE SESSION DELIBERATIONS AT 8:25 A.M.**
  - 1. INCENTIVE REQUEST FOR K&E KINDER CARE – NO ACTION
  - 2. INCENTIVE REQUEST FOR PROVIDENT ADDITION –
    - i. MR. GLADU MADE A MOTION TO REIMBURSE PROVIDENT FOR HALF OF THE COSTS OF INFRASTRUCTURE, NOT TO EXCEED \$300,000, AND AMEND THE BUDGET TO REFLECT THE SAME.
    - ii. MR. HOLDER SECONDED THE MOTION
    - iii. THE MOTION PASSED 7:0
  - 3. RETAIL RECRUITING UPDATE – NO ACTION
- J. **ADJOURN AT 8:26 A.M.**

PASSED AND APPROVED BY THE COMMUNITY DEVELOPMENT CORPORATION OF THE CITY OF ROYSE CITY ON  
THE 22<sup>ND</sup> DAY OF AUGUST, 2023, 5:0.

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DENA ELDER – PRESIDENT or (BOBBY GLADU-VP)

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ATTEST: TONYA BROWN SECRETARY