

ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION
REGULAR MEETING
July 22, 2014
7:00 A.M. CITY HALL
305 NORTH ARCH ST.
ROYSE CITY, TEXAS 75189

MINUTES

CALL TO ORDER

Announce the presence of a Quorum.

At 7:03 A.M. the meeting was called to order by Dena Elder and invocation was given by Clay Ellis.

SALES TAX COMPARISON OVERVIEW

Larry Lott discussed the sales tax revenue for July 2014, which shows a decrease in sales tax revenue over July of 2013. For the year, as a whole, sales tax revenue has increased by 12%.

ACTION ITEM

Take any action necessary regarding approval of Minutes.

- a) At 7:06 A.M. Mike Gilbert made a motion to approve the minutes and financials of the previous month's meeting.*
- b) Charles Houk seconded the motion.*
- c) The motion passed 5:0.*

CITIZEN 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 may be taken on these items.

- a) No citizens were present*

DISCUSS SPONSORSHIP OF BENCH

Discussion began regarding the sponsorship of benches for Downtown Royse City Main Street. The specifics of the benches were discussed as the benches currently downtown are in need of repair but are not repairable and need to be replaced. Main Street is looking for sponsorship of the new benches which will cost \$600 each. Main Street will make up the difference between the cost of the bench and the amount of the sponsorship. In order to receive the \$600 price per bench, they must order a minimum of 14 benches, no more than 20. Each bench will contain a permanent plaque on a "plank" that shows who sponsored it. The benches are made of recycled plastic, made to look like wood, with an aluminum frame. The benches, which will be shipped unassembled, will be assembled and mounted to the sidewalks by the Park's Department.

- a) Clay Ellis asked for a recommendation from the director.
 - a. The director recommended that the CDC sponsor a bench for Downtown Main Street.**

ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION
REGULAR MEETING
July 22, 2014
7:00 A.M. CITY HALL
305 NORTH ARCH ST.
ROYSE CITY, TEXAS 75189

MINUTES

ACTION ITEM

Take any action necessary as a result of the discussion regarding sponsorship of new benches for Downtown Main Street.

- a) Clay Ellis made a motion to sponsor 1 (one) bench.*
- b) Bobby Gladu seconded the motion.*
- c) The motion passed 6 to 0.*

DISCUSS FUN FEST SPONSORSHIP

Discussion began regarding sponsorship of Fun Fest. In the past, the CDC Board has sponsored the event, which takes place in October, in the amount \$250. As a sponsor the CDC receives advertisement on certain banners.

- a) Clay Ellis made a motion to continue to sponsor Fun Fest for \$250.*
- b) Charles Houk seconded the motion*
- c) The motion passed 6:0.*

DISCUSS CDC EMPLOYEES' EVALUATION AND POTENTIAL SALARY ADJUSTMENTS

- 1) The discussion remained in open regular session.*
- 2) Mr. Lott handed out and reviewed three items with the board to assist in their discussion.*
 - a) A salary survey compiled by the Texas Economic Development Council.*
 - b) Goals and accomplishments for Mrs. Brown and Mr. Lott.*
 - c) Information compiled by Tauna Ratliff demonstrating where their respective salaries currently stand.*

ACTION ITEM

Take any action necessary as a result of the discussion regarding the evaluation and potential salary adjustments for Larry Lott and Tonya Brown.

- a) Jesse Vaughn made a motion to increase Tonya Brown's salary by 5%.*
- b) Charles Houk seconded the motion.*
- c) The motion passed 7:0.*
- d) Clay Ellis made a motion to increase Larry Lott's salary by 6% in-light-of not receiving a salary increase last year.*
- e) Richard Pense seconded the motion.*
- f) The motion passed 7:0.*

DIRECTOR'S REPORT WAS GIVEN TO INCLUDE:

QUIZNO'S AND KFC

ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION

REGULAR MEETING

July 22, 2014

7:00 A.M. CITY HALL

305 NORTH ARCH ST.

ROYSE CITY, TEXAS 75189

MINUTES

As previously discussed Quizno's and KFC are no longer open and Mike Tatari has made contact with other business he would like to have in their place.

1. Bobby Gladu asked if it is possible to suggest to Mr. Tatari businesses that we (CDC board members) would like to see here.
 - a. Mr. Lott answered, yes he would be open to that and asked that request be made to him and he would present them to Mr. Tatari.

RUSS PORTER – ROCKWALL MUSIC

Mr. Porter made contact and visited with Mr. Lott concerning expanding his business to Royse City. He currently employs approximately 20 instructors who teach an array of musical instruments and have clients from Royse City and would like to bring new clients from areas east of here. Mr. Lott provided him with demographic information and will follow up with him.

BONNER CARRINGTON

This is the group trying to bring the tax credit apartments to Royse City. They need to be able to show on a federal level, that they can receive Planned Development (PD) zoning. Mr. Lott attended a P&Z meeting in which they voted 5:1 to approve a PD for the tax credit apartments. In late August they will know whether or not they will receive the federal funding for the apartments. This is not Section 8 housing. Assuming they receive funding, building should begin in March of 2015 and take approximately 10-12 months to complete the 180-220 unit complex which will have approximately 65% of its units' rent adjusted by income and the remaining 35% would be at commercial market rates. The infrastructure necessary for this complex will cause us to have water and sewer up and down the western segment of the I-30 corridor.

CHARLIE'S OLD FASHIONED HAMBURGERS

Mr. Lott met with Chris Grupido, owner of Charlie's Old Fashioned Burgers who met with Janet McPherson, Director of Community Development and Patrick Baugh, inspector for Royse City and informed Mr. Grupido that he only lacks about 10% of the documents necessary to begin construction. Mr. Grupido represented to Mr. Lott that he would begin within the next 60 days.

WALMART

Provident Realty, the developer that sold the property to Walmart and has the pad sites around it, spoke with a representative from Walmart and they feel that Walmart will go out for bid in November of 2014. However any dates in regard to Walmart are subject to change. Also, Janet McPherson has been working with Kimly Horn, the engineering firm providing plans for site work. We are hopeful they will go out for bids in November and select a firm by end of the year and with a 10 month build time would put them opening at around September of 2015. The Erby Campbell Overpass is scheduled to be completed, according to their contract, by August 2015 and Walmart will not open until after the completion of the overpass.

1. Bobby Gladu asked if the pads sites in front of Walmart will start building before Walmart.

ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION

REGULAR MEETING

July 22, 2014

7:00 A.M. CITY HALL

305 NORTH ARCH ST.

ROYSE CITY, TEXAS 75189

MINUTES

- a. While Mr. Lott could not provide a definite answer he assumes the other pad sites will not build until Walmart begins building and referenced to Whataburger's Letter of Intent which they have had for two years, and is contingent upon Walmart being there.
- b. Mr. Lott also spoke with CVS, who plans on building opposite from Walmart and has orders to open before Walmart but cannot begin until Walmart does.

FIT LIFESTYLE AND NUTRITION

Fit is leaving Main Street in Royse City and will be opening a new location in Wylie. In October of 2013, we (RCCDC) gave them an incentive grant in the amount of \$3,800 for new equipment, and as part of that grant they signed a Performance Agreement. Part of the Agreement states that their business must remain in Royse City for 3 years. As a result of not fulfilling the Agreement, we have invoiced them for the prorated the amount of \$2,736.

HUNT COUNTY STEERING COMMITTEE

Mr. Lott and City Manager, Carl Alsbrook had lunch with Judge John Horn two weeks ago, Mr. Lott will be attending a Steering Committee, in place of Mr. Alsbrook who could not attend today, regarding all the potential activity in Hunt county as a result of the Meadows, Verandah and Bear Pen Creek and the need for roadway improvements. Judge Horn has given Mr. Lott and Mr. Alsbrook, a position on the steering committee which will be held at the Greenville City Manager's office, and will oversee the organization and structure of the consortium similar to what has been done recently with Rockwall County, to identify the needs of Royse City as it pertains to Hunt County.

HUNT COUNTY REGIONAL HOSPITAL

Richard Carter, CEO of Hunt County Regional, contacted Mr. Lott regarding The Meadows. Hunt Regional has approximately 12-19 acres on FM 2642 they have owned for about 10 years. Mr. Carter has asked Mr. Lott to meet with him on July 30th to discuss developments with our portion of the city that lies in Hunt County and specifically the Meadows.

ANNEXATION

Annexation issues west on I-30 will be addressed at tonight's City Council meeting. Part of the issue is we will lose a half (1/2) cent sales tax, to Rockwall County who has the right to that sales tax, on any property not annexed into the city as of October 2014. There are a couple of pieces of property on I-30 we would like to have annexed into the city so that we can generate the full two (2) cent City sales tax going forward.

THE MEADOWS

Mr. Lott and Mr. Alsbrook made a presentation regarding The Meadows, to the school board. They continue to work vigorously with the project and anticipate the City of Royse City will have a Tax Increment Funding (TIF) Agreement, within the next 30 days, with The Meadows. Mr. Lott and Mr. Alsbrook attend a status update meeting every Monday morning with The Meadows developers and all those associated with the project.

ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION

REGULAR MEETING

July 22, 2014

7:00 A.M. CITY HALL

305 NORTH ARCH ST.

ROYSE CITY, TEXAS 75189

MINUTES

1. Mr. Gladu asked Mr. Lott about the water park status.
 - a. Mr. Lott reported that the funding has not been finalized and two options will be presented to the owner of the water park, who is currently out of the country, when he returns.

MAINSTREET DIRECTOR'S REPORT –Paula Morris

1. **Back to School Bash:** It is scheduled for August 22nd from 6:30-8:30, Downtown Main Street. Main Street will be closed for the event. Mrs. Morris has approximately 20 people signed up to either sponsor a game or volunteer for the event.
2. **Main Street Benches:** Already covered earlier by CDC Director, Larry Lott.
3. **Main Street Boutique and Photography:** Mid-August is currently the scheduled time for their opening as they are training on Point of Sale (POS) software.
4. **Lumber Yard/Railroad Property** – Council voted to demolish the property due to safety violations and recurring vandalism. It is a safety hazard to trespassers who continue to violate the “No Trespassing” sign and boarded up windows and door. The City who owns the building but not the land, could be held liable if anyone were hurt while on the property. It wouldn't be cost effective to restore the building since at any time the Rail Road, who owns the property, could refuse to renew the lease. The decision to demolish the building is also tied to a statement within the lease agreement the city has with the rail road, stating that the building must be torn down if there are any issues with vandalism or if it is unsafe.
 - a. Mr. Gladu asked if it would be turned into a parking lot.
 - b. Mrs. Morris reported, that is an option they are looking at. However its not likely to be paved as the property does not belong to the city.
5. **Main Street Café** - They have had a rendering made of the changes they would like to apply to their building which includes a patio in the back. A couple from Heath has purchased the building and has spent over \$5,000 remodeling the inside. They have a good working relationship with the owner of Main Street Café and plan to “do whatever it takes to make it look nice.”
6. **Heart of Texas:** As a result of the committee formed to address the violations and beautification of our downtown businesses, Ted Bedsole, owner of Heart of Texas in Royse City, has requested a rendering of his building. The state architect has determined that a structural engineer will be needed to determine whether one of the walls of his building is safe or if it will need to be replaced. Mr. Bedsole wants to divide the building into three sections; Heart of Texas at the front of the building, the back would be divided into two, each with a separate entrance on the side of the building.

ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION
REGULAR MEETING
July 22, 2014
7:00 A.M. CITY HALL
305 NORTH ARCH ST.
ROYSE CITY, TEXAS 75189

MINUTES

- a. Mr. Lott notified that board that Mr. Bedsole is a on lease with an option to buy and the end of that agreement is December of this year (2014), so he feels a decision will be made soon.

Q & A SESSION

1. Mr. Gladu asked Mr. Lott for an update on Buttermilks.
 - a. Mr. Lott said he didn't feel as if they were interested any longer in Royse City as they are no longer communicating with us. Both Mr. Lott and Mrs. Morris have tried to contact the business partner, but he has not returned their calls.
2. Mr. Lott wanted to update the board on the status of the Main Street Boutique Incentive Grant. He notified them that their 60 day waiting period was over and owners had brought in their receipts. Mr. Lott will calculate the expenditures to verify the amount of \$25,000 to be reimbursed if they have satisfied all requirements by P&Z to receive their Certificate of Occupancy (CO). As per the Performance Agreement, the CDC will receive \$500 out of the rent payment for the first nine (9) months.
3. Mr. Gladu inquired as to how we could get some type of emergency medical facility in Royse City.
 - a. Mr. Lott said that The Meadows is currently in discussions regarding an emergency medical facility and are looking at Urgent Care.
4. Mr. Gladu inquired about the developers interested in having both the Royse City CDC and Fate EDC communicating in regards to the 400 acres between Royse City and Fate.
 - a. Mr. Lott said that the acreage Mr. Gladu is referencing is the land he discussed earlier in his annexation report. The owners of the property are Roger Sefsik and his brother. Mr. Lott and Mr. Alsabrook went to Fate to try to work together on an agreed upon boundary, but they weren't interested.

CHAIRMAN REPORT – Dena Elder

Nothing to report.

ADJOURNMENT

At 8:16 A.M. Charles Houk made a motion to adjourn the meeting, Richard Pense seconded the motion. The motion passed 6 to 0.

NEXT MEETING

Next CDC board meeting will be Tuesday, August 26, 2014 at 7 A.M. at City Hall, Royse City, Texas.

Members Present:

Clay Ellis
Mike Gilbert (left early)

Not Present:

ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION

REGULAR MEETING

July 22, 2014

7:00 A.M. CITY HALL

305 NORTH ARCH ST.

ROYSE CITY, TEXAS 75189

MINUTES

Dena Elder
Charles Houk
Richard Pense (late)
Jesse Vaughn II (late)
Bobby Gladu

Other:
Paula Morris, Main Street Director

Employees Present:
Larry Lott, Executive Director
Tonya Brown, Secretary

ATTEST:

Secretary
Tonya Brown

President / Vice President
Dena Elder / Mike Gilbert