

ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION  
REGULAR MEETING  
September 26, 2014  
7:00 A.M. CITY HALL  
305 NORTH ARCH ST.  
ROYSE CITY, TEXAS 75189

MINUTES

**CALL TO ORDER**

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*Announce the presence of a Quorum.*

*At 7:01 A.M. the meeting was called to order by Dena Elder and invocation was given by Clay Ellis.*

**SALES TAX COMPARISON OVERVIEW**

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*Larry Lott discussed the sales tax revenue for September 2014, which shows a slight decrease in sales tax revenue over September of 2013. For the year, as a whole, sales tax revenue has increased by 8.5%.*

**ACTION ITEM**

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*Take any action necessary regarding approval of Minutes.*

- a) Clay Ellis made a motion to approve the minutes and financials of the previous month's meeting.*
- b) Richard Pense seconded the motion.*
- c) The motion passed 6:0.*

**CITIZEN PARTICIPATION**

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*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 citizen participation*

**PUBLIC HEARING**

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*At 7:04 A.M. Recessed regular session and opened Public Hearing to discuss incentive request in the amount of \$6,434.00 from Southern Roots to redesign the interior of the building located at 109 W. Main Street, to carry an exclusive product line and purchase a custom air brush salon system.*

- 1. No citizens were present for public hearing*
- 2. Public hearing closed at 7:05 A.M.*

**RECONVENE REGULAR SESSION**

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*At 7:05 A.M. regular session reconvened.*

**ACTION ITEM**

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*Take any action necessary as a result of public hearing discussions.*

- 1. No action taken.*

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**DIRECTOR'S REPORT WAS GIVEN TO INCLUDE:**

**VOLUNTARY ANNEXATION OF 55 ACRES EAST OF ROYSE CITY ON I-30**

Paper work has been received from the owner of the 55 acres east of Verandah, to voluntarily have his property annexed. This property is located on the North I-30 service road and will be good commercial/retail property as our city develops to the east.

**F.M. 548 REHAB PROJECT**

A design plan is in process to rehab F.M. 548. This will be an eighteen (18) month project, 5.4 miles long, stretching from F.M. 276 to Hwy. 66. The plan is to let a contract in May of 2015, with construction beginning in the late summer of 2015.

**RADIUS MANUFACTURING OPPORTUNITY**

Mr. Lott spoke with Ronny McCord of Radius Manufacturing. Currently, Mr. McCord has a very successful machine shop on F.M. 276 with 10 employees, but is looking to expand. We will explore opportunities in the industrial park for him as soon as he is able to come to Royse City. We will continue to follow up with him.

**WALMART UPDATE**

Walmart has sent in their final plat request. It will likely be on P&Z's next special called meeting. They may go out for bid in October or November. We are hopeful they will begin construction before the end of the year based on the time frame typically given after final plat has been issued.

**CHARLIE'S UPDATE**

Mr. Lott spoke with the Developer who states that plans are 99% complete.

1. Mike Gilbert explained how the 99% works.
2. Bobby Gladu announced that AA Granite intends to bid as a subcontractor on this project. Once the general contractor is selected, land will close and construction will start soon thereafter.

**PCA UPDATE**

PCA has not begun building vertically yet, but infrastructure is in place, the city has approved it and accepted dedication of the offsite utilities. The city is rebating PCA close to \$85K for upsizing the line to accommodate future retail and commercial opportunities. PCA will be located on the Northeast corner of F.M. 2642 and I-30, across from the high school. Mr. Lott spoke with the CEO yesterday and believes they will begin construction any day now on the 8,500 sq. ft. facility which was pre-leased and estimated to be complete in March of 2015. We gladly welcome medical facilities to the community as they create a multitude of high paying jobs.

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**CITY COUNCIL APPROVAL**

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On September 9<sup>th</sup>, the Council approved the budget and Southern Roots incentive request.

**UPDATE ON THE MEADOWS**

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Mr. Lott and Mr. Alsabrook continue to spend a good amount of time with the developers of The Meadows. Recently there was an article in the Rockwall section of the Dallas Morning News where Mr. Lott and Mr. Alsabrook were interviewed regarding The Meadows and what it means for Royse City.

Either late this week or early next week they should be rolling out the financial information regarding how The Meadows will be financed.

1. Richard Pense asked if there was any new information regarding anchors or particular businesses
  - a. Mr. Lott stated there hadn't been any Letters of Intent (LOI) that he was aware of. He also stated that they are continually contacting businesses but they will first need to get an anchor to make it attractive to everyone else.
2. Bobby Gladu asked if there was any new information on the water park.
  - a. Mr. Lott stated that finding a way to finance it has been difficult. We have spoken to multiple water parks. There is one company we would really like to work with, but they do not fund any of their projects upfront. The \$12.5-\$23 million projects are typically funded by the city or EDC. The water park company then commits to pay a sum every year to the city or EDC sufficient to cover the debt service for the year. This is not a feasible option for us as we do not have the funding capabilities. At this point, funding is not in place to begin construction in 2015, but we are still speaking with them and are hopeful to have a financing option in place for 2016.

**BLACKLAND CORRIDOR UPDATE**

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Mr. Lott and Mr. Alsabrook attended the Blackland Corridor meeting, now being called the Northeast Corridor which will be a privately funded toll road. Generally, toll roads are funded by TXDOT and are only toll roads for the amount of time it takes to pay off the debt incurred in building the road. However, since this road will be privately funded, and will be built for profit, it will remain a toll road indefinitely. The general purpose of this corridor is to move traffic from Rowlett to Greenville. There are 5 routes being considered. The one that seems to be getting the most consideration would connect to George Bush Freeway in Rowlett and to F.M. 1570 east of Greenville.

1. Mr. Lott and Mr. Alsabrook had a meeting with the CEO of the company who will be funding the project to find out how this will affect Royse City. In particular, Mr. Lott asked him how many cars this would take off the Interstate 30.
  - a. The reply to his question was a significant amount, approximately 10 thousand per day.
2. Mr. Lott then asked him why we should be in favor of this toll road which would take away sales tax dollars from our community.
  - a. The response he was given was that it would put so many more cars in this area. However later in a discussion it was revealed that since this road's main purpose would be to move traffic, there might be one exit into Royse City.

During the public meeting Rockwall Mayor David Sweet was the first to speak. He read the resolution Rockwall has issued against the corridor, as did a Sachse Council Member.

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One of the proposed routes would touch the north side of Royse City near F.M 590 in Collin County.

Clay Ellis pointed out that with most projects of this nature, plans are 10-15 years away, however this project is said to begin in the next year or two.

Mr. Lott said there were a number of comments regarding the fact that this was the final public meeting regarding the Northeast Corridor even though they haven't decided on a route. And there were a lot of comments regarding how the citizens are to be expected to provide input on a route that hasn't been selected. And that once this public hearing is over, the route would be voted on, leaving the citizens without an opportunity to provide additional input on the selected route.

**WYLIE MAYOR'S BREAKFAST**

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Mrs. Morris, Mr. Lott and Janet Nichol, Royse City Mayor Pro Tem attended the Wylie Mayor's Breakfast. It is an event held quarterly and is open to the public, where the Wylie Mayor has open dialogue on where Wylie is going and how they plan to get there. Mrs. Morris stated that the event was organized by the Wylie Merchant's Association. Mr. Lott expressed how impressed he was with Wylie and some of the creative things they have accomplished, such as taking possession of the main road that runs through Wylie. Wylie is now able to accomplish what they need in regards to parking and events along this main road, which were previously prohibited when it was owned by TXDOT.

**DISCUSSION WITH MICHAEL CRAWFORD, OWNER OF RC PHARMACY**

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Michael Crawford and Mr. Lott had coffee at The Well to discuss businesses coming to Royse City. In particular, Mr. Lott wanted to make Mr. Crawford aware of the pharmacies that plan to open here. Mr. Crawford told Mr. Lott his plans to possibly expand to the eastern part of Royse City, but he said the Royse City Pharmacy will remain where it is.

**FINANCIAL POSITION INTERVIEWS**

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The past two weeks, Mr. Lott has assisted the city in interviews to try to fill the financial position open in the city. The goal is to find someone with a background in Tax Incremental Financing (TIF), Public Improvement Districts (PID) and Tax Increment Reinvestment Zones (TIRZ) in light of new developments such as The Meadows and the water park. No one has been selected to fill the position yet.

Mr. Gladu asked Mr. Lott about the status of Stonebrook Learning Center

- a. Mr. Lott explained that Stonebrook's progress is being held back until a determination of who own Hicks Rd can be made. If it is a private road, Stonebrook can move forward, but if the city owns it, they will require him to pave it, which would be cost prohibitive to the project, however the city might be willing to grant a variance.
- b. Clay Ellis asked if the task of deciding whether or not to grant the variance request would fall on P&Z (Planning & Zoning) or ZBA (Zoning Board of Adjustments).
  - i. Mr. Lott felt that ZBA would most likely be the entity to grant the variance request as they typically deal things that go against our ordinances and determines whether or not to grant a hardship.

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- c. Charles Houk questioned why it can't be determined who owns the road in question.
  - i. Mr. Lott explained that at one time it was a public road, but at some point in time, the city may have abandoned the road and gave it to a property owner. At this point the city hasn't been able to find records showing who owns the road.

**MAINSTREET DIRECTOR'S REPORT –Paula Morris**

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1. **THE BAR:** They aren't officially open but plan to open and have a ribbon cutting at noon on October 1<sup>st</sup>. They are currently offering free workouts at noon before their grand opening. They will offer an all-natural Paleo diet, shakes and a variety of exercise classes (not cross fit exercises) at a reasonable fee.
2. **THE SHOP:** They are planning a grand opening on October 2<sup>nd</sup> from 5pm-7pm with food and drinks and a bounce house for the kids. They will also have a ribbon cutting that day. The Shop will offer haircuts and color for men, women and children, hot towel shaves for men, waxing, extensions, cold stone migraine therapy and hair care and skin care products. They are located at the building next to the post office.
3. **MAIN STREET BENCHES:** Mrs. Morris thanked the members who sponsored a bench and announced that she placed an order for 20 benches. The order has been completely processed but it will take some time before we receive them and then they will still need to be put together and installed by the parks department who is very busy at this time. We estimate they will be installed in mid-November being that they won't be shipped until mid-October.
  - a. Bobby Gladu asked when Mrs. Morris would put together the layout.
    - i. Mrs. Morris said she would begin the layout at some point before they are ready to be installed.
  - b. Mr. Lott asked, what, if any, input could an individual or business that sponsored a bench, have in the placement of the bench.
    - i. Mrs. Morris said certain businesses on Main Street who sponsored a bench have requested to have the bench they sponsored, in front of their business. This is an acceptable request however there are some locations that have already been assigned.

Mrs. Morris explained that pavers will have to be removed from the side walk for drilling and concrete so the benches will not be movable.
4. **MAIN STREET CAFE** – Main Street Café has painted a beautiful mural with pictures of the past inside their building. Mrs. Morris recommended everyone go in to take a look because pictures don't do it justice. They are moving forward with the rendering they chose. They wanted to open to the Transoms to their original state, but it would be too costly, so

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chose to produce a faux transom and it looks great. They have already painted the building and are in the process of putting in the awning. They applied for and were awarded a \$4,500 façade grant to go toward the \$10,000 they spent on the awning and windows, which they will receive once the project is complete. It is estimated to be complete by the end of the month.

- 5. Main Street Boutique** – Main Street Boutique had their Soft Opening and ribbon cutting on September 4<sup>th</sup> which was packed! They too, applied for a façade grant, which they were awarded. In respect to what they spent, the 50/50 match resulted in a \$499 grant, which they have already received.
- a. Mrs. Brown stated that the Grand Opening took place on the 6<sup>th</sup> and other merchants on Main Street commented on the line to get in that went all the way down Main Street.
  - b. Mr. Lott and Mrs. Morris spoke about the magnificent job the women of Main Street Boutique have done and all the hard work they put into the building which was previously uninhabitable.
  - c. Dena Elder asked Mrs. Morris if she had a list of events and dates occurring within the next 3 months.
    - i. Mrs. Morris gave the events and dates as follows:
      1. Homecoming Parade: October 10<sup>th</sup> at 3 p.m. Main Street will be closed for the parade and re-opened promptly afterwards.
      2. FunFest: (Julia's – Chamber of Commerce) October 18<sup>th</sup>
      3. Pumpkin Patch: delivery on the 15<sup>th</sup> at 4pm. The Pumpkin Patch will be open from the 16<sup>th</sup> thru the 31<sup>th</sup>. We will decorate on the 14<sup>th</sup> at 10 a.m. and clean up on the 31<sup>st</sup> at 3 p.m.
      4. Trick or Treat on Main Street: October 29<sup>th</sup>. 6 p.m. – 8 p.m.
      5. Christmas Luncheon: December 3<sup>rd</sup> at 11:30.
      6. Tree Lighting: December 4<sup>th</sup> at 5:30 p.m. beginning at 5 p.m. with the choir.
  - d. Ms. Elder volunteered to help post information regarding the events and share on Facebook.

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- i. Mrs. Morris stated that JoNell Mellody is the person who is has been posting information on social media and according to Sheila Whitney, originally, the parade was only going to be open to school participants, but due to a lack of participants, they are opening it up to the public. Mrs. Morris stated that she has the flyer but wants to verify with Mrs. Mellody that it is indeed open to the public before she distributes it.
- e. Mr. Lott told the board he had received a call from Mary Smith who owns the building where Jimmy's Donuts is located. She wants to start making necessary updates to bring her building up to code. She cannot afford to do it all at once and would like our building inspector to determine the most immediate needs so she can prioritize the updates.
- f. Mr. Gladu asked if anyone had seen the new billboard.
  - i. Mrs. Morris stated that she had seen it. She stated there is a lot of information on it and it is busy but it looks good. The cost was split three (3) ways between the Chamber, Main Street and HOTRC.

**CHAIRMAN REPORT – Dena Elder**

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*Nothing to report.*

**ADJOURNMENT**

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*At 7:55 A.M. Bobby Gladu made a motion to adjourn the meeting. Clay Ellis seconded the motion. The motion passed 6:0*

**NEXT MEETING**

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*Next CDC board meeting will be Tuesday, October 28, 2014 at 7 A.M. at City Hall, Royse City, Texas.*

Members Present:

Clay Ellis  
Mike Gilbert  
Bobby Gladu  
Charles Houk  
Richard Pense  
Dena Elder

Not Present:

Jesse Vaughn II

Other:

Paula Morris, Main Street Director  
Joslyn Sandlin - Royse City Herald Banner

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Employees Present:

Larry Lott, Executive Director  
Tonya Brown, Secretary

**ATTEST:**

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Secretary  
Tonya Brown

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President / Vice President  
Dena Elder / Mike Gilbert