

ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION  
 REGULAR MEETING  
 July 28, 2015  
 7:00 A.M. CITY HALL  
 305 NORTH ARCH ST.  
 ROYSE CITY, TEXAS 75189

MINUTES

<u>Members Present</u>	<u>Employees Present</u>	<u>Other:</u>	<u>Not Present:</u>
Dena Elder	Larry Lott, CDC Director	Tom Crowley	Jesse Vaughn
Bobby Gladu	Tonya Brown, Secretary		Clay Ellis
Mike Gilbert			
Charles Houk			
Richard Pense (7:07)			

**A. CALL TO ORDER**

Announce the presence of a Quorum.

At 7:03 A.M., Dena Elder called the meeting to order and Larry Lott gave the invocation.

**B. DISCUSS AND ACT ON MINUTES AND SALES TAX COMPARISON OVERVIEW**

Mr. Lott discussed the sales tax revenue for July 2015. For the year, sales tax revenue increased by 11.6%. In comparison to July 2014, sales tax revenue increased by 24%. There were no questions or comments regarding minutes from 6-23-15 or 7-1-15.

**ACTION**

1. At 7:06 A.M., Bobby Gladu made a motion to approve minutes.
2. Mike Gilbert seconded the motion.
3. The motion passed 4:0

**C. CITIZENS 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.

No citizen participation.

**D. RECESS CDC MEETING AND OPEN PUBLIC HEARING**

At 7:07 A.M., Mr. Lott discussed an incentive for the Dairy Queen project.

1. \$25,000 to expedite the construction of a Dairy Queen.

**E. CLOSE PUBLIC HEARING AND RECONVENE REGULAR SESSION.**

At 7:08 A.M., the public hearing closed and regular session reconvened.

**ACTION**

1. No action was taken.

**F. DISCUSS AND TAKE ACTION REGARDING CHAMBER DIRECTORY**

The Chamber has a new directory published every two years. In the last directory, we had a 1/2-page ad. Do we want an ad in this year's directory, if so, at what level? A 1/2-page ad is \$495, a 1/4-page ad is \$295, a 1/3-page ad is \$395, and a full-page ad is \$695.

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**ACTION**

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1. At 7:10 a.m., Charles Houk made a motion to have a ½-page ad in the Chamber Directory.
2. Richard Pense seconded the motion.
3. The motion passed 5:0

**G. DISCUSSION REGARDING BUDGET PROCESS AND SCHEDULING FOR FY2016**

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Mr. Lott will present the proposed FY16 Budget at the August meeting, to be finalized and presented to Council for approval in September, and become effective October 1. Mr. Lott asked the board if they had have anything out of the usual they would like to see added to the budget or anything they would like to do differently.

1. Mr. Houk added that he would like to see some money allotted for continued education for employees.

**DIRECTOR'S REPORT**

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*(Mr. Lott announced that Richard Pense was selected as Principal of Ruth Cherry Intermediate School.)*

**WALMART UPDATE**

Mike Hart, Walmart's Regional Director, met with Mr. Lott where he brought and introduced Christie Cox, who will manage the Royse City Walmart. They seemed to have a lot interest in the community's needs including school colors and seemed genuinely interested in contributing to and being part of the community.

They are scheduling a Grand Opening November 11, 2015. The High School band will perform at the grand opening and Walmart will give away various prizes.

Mr. Lott, City Manager Carl Alsabrook, and Mayor Nichol were invited to view Walmart's patented process for pouring foundation without reinforcements, inside Walmart. They use a laser-guided machine to pour the concrete; only 30,000 SF of the 157,000 SF can be poured at one time.

**CHARLIE'S OLD FASHIONED BURGERS**

Owner, Chris Grupido says they still need to "wrap up some paper work" in the process. Mr. Lott thinks this is regarding the need to identify the subcontractors. The city requires the contractor and subcontractors to be identified and registered to work in the city.

1. Bobby Gladu asked if the digital sign was still in play.
  - a. Mr. Lott said yes, it is still in play however, Chris Grupido does not have any ownership in it. The developer, Gene Liguori, is the one who will own the sign. A six by six piece of the property was donated to the city. Mr. Liguori has leased the air rights on that property to have the sign. While Mr. Grupido has no ownership in the sign, his facility qualified Mr. Liguori for the sign.

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*THE MEADOWS*

The City Attorney, the City is outside council and The Meadows' Council are still negotiating deal points and financing. At an internal meeting, Mr. Lott, Mr. Alsbrook, City Attorney Jason Day, and City CFO Shannon Raymond feel confident they have put down on paper all they want for the city. The incentive grants The Meadows wants in the agreement are:

1. Public Improvement District (PID)
  - a. They would go out and sell bonds to finance some of the infrastructure work.
2. Tax Incremental Financing (TIF)
  - a. Whereby you assess the value of the property today and then you assess the value of the property each year after that. A portion of the difference in taxes associated with the incremental increase is paid back to the developer for a period of the or until a certain amount is reached.

This would still need to be approved by the Council and the CDC because the CDC would have to give up a portion of our sales tax for some period.

Developer, Tom Williams called Mr. Lott with a list of retailers he continues to reach to about The Meadows.

*BUC-EE'S*

Shaw Drive, which was previously CR 2515, is going to be extended across to the west side on FM2642 and run the length of the DR Horton property. We are waiting on DR Horton's engineers to provide drawings and specifications to provide to TxDOT. TxDOT has to approve and issue a permit for any road that cuts into an existing state highway. Buc-ee's is set to close in September so we are working diligently to get all entitlements completed.

*BEN HOWARD PROPOSED DEVELOPMENT*

Ben Howard is proposing a development north of Sorrels Drive. Mr. Howard and his family own 90 acres (three 30-acre tracts). He wants to develop one of those 30 acres into a privately owned athletic facility. However, it faces a few different problems:

1. One of the problems we face is that Nevada has the CCN rights to provide water. Nevada would either have to sell those to us or to him. We could not provide water to him as long as Nevada has the CCN.
2. The property is contiguous with the city but not in the city; it would require voluntary annexation.
3. Cost to bring sewer and water. Mr. Lott had Public Works Director, Dario Lopez run the numbers for offsite water and sewer; the cost would be roughly \$650, 000 plus the cost of easements and engineering.

Mr. Gladu asked if they could trade their 90 acres without water and sewer for 30 acres that does have water and sewer.

1. Mr. Lott said that would be something to consider and mention to Mr. Howard.

*BONNER CARRINGTON APARTMENTS*

We are having some difficulty getting the last four easements for offsite infrastructure.

1. Kennamer property
2. Provident property
3. LADF Group property (92 acres near off Circle Dr.)
4. Gene Liguori property

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We have a 9:30 conference call this morning to discuss the Kennamer property and a conference call at 11:00 to discuss the Provident property.

1. Mr. Gladu pointed out those easements for water and sewer increases the value of the property.

*DIARY QUEEN*

Projected timing given by Dairy Queen.

1. Receive official approval from corporate in July or August.
2. The pad will be turned over to them by September 15<sup>th</sup>
3. Take it to P&Z for approval September 3.
4. Take it to Council on September 22.
5. Anticipate breaking ground in early September.
6. Estimate opening between March and early May 2016.

*INDUSTRIAL OPPORTUNITY (400 ACRES)*

Not much is known at this point. They are looking for 400 rail-served acres for an assembly facility that does not need a clean air permit. They would hire in excess of 100 people. They are withholding any other details.

*WEITZMAN GROUP (20 ACRES)*

David Zoller with Weitzman group contacted Mr. Lott regarding 20 acres with very specific criteria for a well-known establishment we would want in our community. We will continue to follow up with Mr. Zoller.

*CRISWELL COLLEGE*

Criswell College owns 200 acres north of Hwy. 66 and west of FM 2642. Matt Nine, broker with Campus Real Estate Solutions wants to get the 200 acres entitled so they can sell the land, which was partially donated to them for a college. He is having a difficult time selling it because there is no water and sewer. The City requires the water be looped; it must have two sources. They would have to bring water from the school at FM 1777 and Hwy 66 to the property, bore underneath Hwy. 66 and the railroad track and take it up to the industrial park; approximate cost is \$2M.

*CHICKEN EXPRESS*

Mike Tatari has waited the one-year period required by Kentucky Fried Chicken, before another restaurant can occupy that space. He has been trying to get Chicken Express to fill that spot. Chicken Express has said no. Mr. Lott is working with Mr. Tatari to fill that void with another chicken establishment. Mr. Lott has also been trying to contact Golden Chick but has not received a response.

*SNAP FITNESS*

Snap Fitness has signed a lease with Almo plaza and is waiting on their equipment. They will lease the space previously leased by PCA.

*THE CHURCH ROYSE CITY*

The Church Royse City has been looking for property. They currently have a contract on 4 acres near Starlight Ranch and will close in September. They are also looking at an additional 3 acres to join the 4-acre tract under contract.

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**MAINSTREET DIRECTOR'S REPORT – Paula Morris (Absent)**

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*Report given by Mr. Lott.*

***BACK TO SCHOOL BASH***

The event will take place August 21. Mr. Lott asked the members with business to take a flyer to help advertise the event.

*[Mr. Gladu asked Mr. Lott if the CDC would be able to help purchase the lot between Domino's and Joe's Meat Market.*

- 1. Mr. Lott said it might be. The City would not be able to budget any portion, but the CDC can purchase property from a parks and recreation standpoint.
  - a. Mr. Gladu discussed some of the ideas for a pocket park.**
- 2. Kelly Rogers, president of HOTRC is putting together a business plan on the cost to operate the pocket park including adding restrooms.]*

*[Mr. Pense left.]*

**ADJOURNMENT**

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1. At 8:00 A.M., Bobby Gladu made a motion to adjourn the meeting.
2. Charles Houk seconded the motion.
3. The motion passed 4:0.

**NEXT MEETING**

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The next CDC board meeting will be Tuesday, August 25, 2015 - 7 A.M. at City Hall – 305 North Arch St. – Royse City, Texas - 75189.

**ATTEST:**

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Secretary  
Tonya Brown

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President / Vice President  
Dena Elder / Mike Gilbert