

ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION  
 REGULAR MEETING  
 7:00 A.M. – CITY HALL  
 305 NORTH ARCH STREET  
 ROYSE CITY, TEXAS 75189

MINUTES

August 23, 2016

<u>Members Present</u>	<u>Employees Present</u>	<u>Other:</u>	<u>Members Absent:</u>
Clay Ellis	Larry Lott, CDC Director	Jim Hardin (RCHeraldBanner)	
Dena Elder	Tonya Brown, Secretary	Paula Morris	
Mike Gilbert		Michelle Munn	
Bobby Gladu		Julia Bryant	
Richard Pense		Shanon Zais	
Jesse Vaughn II		Sherry Harton	
Charles Houk			

**A. CALL TO ORDER**

Announce the presence of a quorum.

At 7:02 A.M., Ms. Elder called the meeting to order and Mr. Ellis gave the invocation.

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

Mr. Lott discussed the sales tax revenue for August 2016. In comparison to August 2015 sales tax revenue increased by 12%. For the year as a whole, sales tax revenue increased by 21.3%. No discussion required regarding minutes.

**ACTION**

1. At 7:03 A.M., Mr. Gladu made a motion to approve minutes.
2. Mr. Houk seconded the motion.
3. The motion passed 7:0.

**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 will be taken on these items.

1. Citizens present did not desire to participate.

**D. PRESENTATION BY SHANON ZAIS WITH MAIN STREET BOUTIQUE (Madi's Closet and Shanon Zais Photography)**

Mrs. Zais gave a presentation regarding the hardships she and her business partners faced while doing business located at 130 East Main Street. Mrs. Zais is requesting that the CDC Board reconsider their decision to request repayment for a prorated amount of \$3,000 for their failure to meet all the requirements as set forth in the Performance Agreement between the Royse City Community Development Corporation, Madi's Closet, and Shanon Zais Photography.

**E. RECESS INTO CLOSED EXECUTIVE SESSION**

Recessed into closed executive session at 7:05 A.M.in compliance with Texas Government Code to wit:

1. Section 551.087 – Deliberation regarding economic development negotiation:
  - a. Performance Agreement with Madi's Closet & Shannon Zais Photography (Main Street Boutique)
  - b. Construction of new water line behind the buildings on the south side of Main Street
2. Section 551.074 – Deliberation regarding personnel matters: Possible salary adjustments for CDC employees
  - a. Director, Larry Lott
  - b. Administrative Assistant, Tonya Brown

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**F. CLOSE EXECUTIVE SESSION AT 8:06 A.M.**

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**G. RECONVENE REGULAR SESSION AND TAKE ANY ACTION NECESSARY REGARDING EXECUTIVE SESSION DELIBERATION**

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Reconvene regular session at 8:07 A.M.

**ACTION**

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Regarding Section 551.087 – Economic Development:

1. Performance Agreement with Madi’s Closet & Shanon Zais Photography (Main Street Boutique)
  - a. Mr. Vaughn made a motion to request a prorated refund amount of \$3k from the incentive provided to Madi’s Closet & Shanon Zais Photography (Main Street Boutique) and to allow Mr. Lott to negotiate the terms of repayment.
  - b. Mr. Ellis seconded the motion.
  - c. The motion passed 7:0.
2. Construction of new water line
  - a. Mr. Ellis made a motion to allow the CDC to enter into a contract with Excel Trenching. The contract will not exceed \$150K for a new water line behind the buildings on the south side of Main Street. Ms. Elder will sign the contract.
  - b. Mr. Gilbert seconded the motion.
  - c. The motion passed 7:0.

Regarding Section 551.074 - Personnel:

1. Possible salary adjustments for Tonya Brown and Larry Lott
  - a. Mr. Gladu made a motion to increase Mrs. Brown’s salary by 6.7% and Mr. Lott’s salary by 3%.
  - b. Mr. Ellis seconded the motion.
  - c. The motion passed 7:0

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**H. DISCUSSION REGARDING PROPOSED FY2017 CDC BUDGET**

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Mr. Lott explained the fy2017 budget draft and asked the board if they wanted to make any changes, as he will present the final fy2017 budget at our next meeting. Mr. Ellis, who is also one of the property owners of the building the CDC leases, asked for an increase in the amount budgeted for rent. Mr. Ellis and his partners felt a rent increase was appropriate since it had not increased in 10 years. Additionally, personnel budget will require an increase to accommodate salary adjustments.

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**I. DISCUSSION REGARDING REGIONAL ICSC DALLAS**

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This year’s regional ICSC in Dallas will take place October 5-7, 2016. We will attend the deal-making portion on October 6. After a brief discussion, the decision was made that Ms. Elder and Mr. Gladu would attend along with Mr. Lott, Mrs. Brown, City Manager Alsabrook, and a council member.

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**J. DIRECTOR’S REPORT: LARRY LOTT**

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*Tractor Supply*

Oncor has had to order a transformer to support Tractor Supply’s load limit. Due to a delay in receiving the needed information from Tractor Supply, Oncor will not be able to provide electricity to the facility until November. Tractor Supply will likely open the facility in October using generators until Oncor is able to provide electricity. As a result, TS will only receive a temporary Certificate of Occupancy until the issue is resolved.

*Ridge Park*

The Ridge Park developer has contacted us (the city) to try to find ways to cut costs. He wanted to know if we would allow asphalt streets instead of concrete streets; the city has denied that request.

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*Mark Johnson Project*

Located on FM 548 south, before Crenshaw Rd., the approximate 80-100 homes will be on small acreage. Mr. Johnson has expressed a willingness to work with the city to determine what they want at that site.

*Waterscape*

The Huffines Group will develop Waterscape, a subdivision on south FM548 that borders Crenshaw Rd. We are currently in the PID creation stage; the subdivision recently changed from a MUD (Municipal Utility District) to a PID (Public Improvement District). We believe they will begin construction by the end of the year. Utility connections, such as where they will connect to city water and sewer and who will be responsible, have been finalized.

*Bonner Carrington Apartments*

Bonner Carrington has made a lot of progress. We have been receiving calls as to where to sign up. They still plan to open by the end of the year.

*Hidden Creek (Undeveloped Acreage)*

Hidden Creek is looking at adding 652 lots, which would operate under a PID concept. The PID allows us to expand Erby Campbell from where it stops today up to FM 590, which opens up a lot development for us on the North West side of the city.

*Hasan Pirkul Project*

Mr. Pirkul is the Dean of The School of Management at UTD. Mr. Pirkul purchased approximately 130 acres on Elm Grove Rd. He plans to develop this property and rezone it as residential. It is currently zoned agriculture.

*Cara Baker Project*

Ms. Baker has 130 acres south on FM 35 within our ETJ, but outside the city limits. Ms. Baker wants to annex her property into the city so the city can provide water. We discussed with her attorney, unique deals points that include small ranches on 3+ acres, not platted, with a septic system. Discussions have just begun, but they want to move quickly.

*Frost Farms*

A builder/developer who operates under Sumeer Homes owns Frost Farms. The subdivision, created in 2004, is located on FM 548, just north of the Mark Johnson Subdivision. The county approved the final plat in 2004-2005. We (the city) visited with Sumeer Homes and their engineers to request that they change some of their straight streets to curved linear streets. The subdivision originally platted their utilities to the old sewer plant, which we no longer use. Soon we will have three subdivisions south on FM 548: Frost Farms with 134 lots, Mark Johnson with 80 lots, and Waterscape with 1,035 lots.

*Jeff Adamcik - Sandy Sue's BBQ*

The gasoline tanks are gone and remediation is underway at the location formerly known as Z's Quick Stop. Jeff Adamcik has agreed to clean up any asbestos contamination. Mr. Adamcik is working with the city to find a way to bring his food truck downtown, where he plans to open his restaurant, to start selling/serving his BBQ. He plans to have outdoor dining at this establishment while reconstruction of the building is in progress. One of the hurdles faced with the food truck concept is finding a way to have restrooms on site for patrons. The property is set to close in October.

*RV Park*

Provident Realty wanted to build an RV Park on Erby Campbell on the property with the cell towers, but the city is not interested.

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*Plan to upgrade Downtown*

Riley Triggs of the Texas Historical Commission visited Royse City a couple of weeks ago to look at the condition of our downtown buildings. Mr. Triggs will present us with a report sometime in September regarding his findings and some creative ways we can finance the needed changes/upgrades.

**K. MAIN STREET DIRECTOR'S REPORT: PAULA MORRIS**

*Downtown Upgrade*

Mr. Triggs of the Texas Historical Commission, who came Royse City to look at our downtown and visit with some of the business owners concerning their issues; will prepare and present a report to Mayor Nichol, Mrs. Morris, City Manager Carl Alsbrook, and Mr. Lott regarding the concerns and needs of the downtown Main Street businesses. Mr. Triggs also walked thru City Hall to address its potential needs. City Hall is also in the Main Street District.

*114 East Main Street*

114 E Main Street is vacant (F3 Building). An interested party is working with Community Services Director Janet McPherson to confirm the types of businesses allowed.

*Pocket Park*

We will resurface the pocket park before the end of the fiscal year. Before laying down the crushed granite, we will install conduit.

*High School Pep Rally*

Wednesday, September 21, 2016, Main Street will close at approximately 5 P.M. for a High School Pep Rally downtown at 6:30 P.M. RCISD wants a lot of community involvement. For various reasons, they will not have a parade this year. They chose to have the pep rally on the Wednesday night prior to homecoming, so the football players, cheerleaders, and band members can attend. The event will include school related organizations only. The Booster Club will be set up on south side of Arch Street to raise money for the various organizations it supports. The staging area for the drill team and band will be on the north side of Arch Street. The pep rally will take place in the center of Downtown at Arch Street and Main Street.

*130 East Main Street*

130 East Main is vacant. It does have a new roof but still needs electrical work. The inspector will not issue a C.O. (Certificate of Occupancy) until the building is up to code.

**L. ADJOURNMENT**

At 8:45 A.M., Mr. Pense made a motion to adjourn.

Mr. Gladu seconded the motion.

The motion passed 7:0.

**ATTEST:**

Secretary  
Tonya Brown

President / Vice President  
Dena Elder / Mike Gilbert