

**ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION**

REGULAR MEETING  
7:00 A.M. – CITY HALL  
305 N. ARCH STREET  
ROYSE CITY, TEXAS 75189  
MINUTES – JANUARY 22, 2019

APPROVED 2-26-19

<b>Members Present</b>	<b>Employees Present</b>	<b>Other:</b>	<b>Members Absent:</b>
Charles Houk	Larry Lott, CDC Director	Tanner Dietz (Fire Marshall)	Bobby Gladu
Richard Pense	Tonya Brown, Secretary	Vanessa Stahl (Chamber Assistant)	
Dena Elder		Julia Bryant (Chamber Director)	
Clay Ellis		Clarence Jorif (The Compound RC)	
Jesse Vaughn (7:09)		Lloyd Brown (Josephine EDC)	
Mike Gilbert		Wendy Johnson (United Country Texas Landmark Properties)	
		Paula Morris (Main Street Director)	

**A. CALL TO ORDER**

Announce the presence of a quorum.

At 7:01 A.M., Ms. Elder called the meeting to order; Mr. Ellis gave the invocation.

**B. DISCUSSION AND ACTION REGARDING MINUTES AND SALES TAX COMPARISON**

Sales tax revenue for January 2019 in comparison to January 2018 increased by 25.5%. There was an overall increase of 16.9% over the last 12 months.

**ACTION (7:03 a.m.)**

1. Mr. Houk made a motion to approve the December 20, 2018 meeting minutes and January 2019 financials.
2. Mr. Gilbert seconded the motion.
3. The motion carried 5:0.

**C. DISCUSSION REGARDING INCENTIVE DOLLARS SPENT AND ENCUMBERED**

A total of \$402,399.00 is encumbered for incentives; as of January 1, 2018, we have spent approximately \$219,431.00. We recently approved an incentive request by Main Street Emporium but did not include it on this report because we have not received a Performance Agreement.

**D. 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.

- No citizen participation

**E. DISCUSSION AND ACTION REGARDING OFFICER ELECTIONS**

Current officers: Ms. Elder, President, Mr. Gilbert, Vice President, and Mr. Houk, Treasurer wish to continue in their current positions.

**ACTION**

President:

- Mr. Ellis made a motion to reelect Ms. Elder as President
- Mr. Pense seconded the motion
- The motion passed 5:0

Vice President:

- Mr. Ellis made a motion to reelect Mr. Gilbert as Vice President
- Mr. Pense seconded the motion
- The motion passed 5:0

Treasurer:

- Mr. Ellis made a motion to reelect Mr. Houk as Treasurer.

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- Mr. Pense seconded the motion
- The motion passed 5:0

**F. DISCUSSION AND ACTION REGARDING APPOINTMENT OF REGISTERED AGENT FOR THE CDC**

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The person listed as our registered agent with the Office of the Texas Secretary of State (SOS) is retired City Secretary Brenda Craft. Additionally, the board members listed with the Secretary of State Office are the original seven board members. We need to file a periodic report with the Texas SOS and amend our bylaws to reflect the changes. The amended bylaws will go before City Council for approval.

**ACTION (7:16 a.m.)**

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- Mr. Ellis made a motion to appoint Mrs. Brown as the registered agent for the CDC
- Mr. Houk seconded the motion.
- The motion passed 6:0

**G. DISCUSSION REGARDING STATUS OF THE COMPOUND RC PROJECT**

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Mr. Jorif updated the board with the status of the project. In November 2018, he missed his deadline to begin construction of the road as outlined in the signed Performance Agreement. Mr. Jorif informed the board of his difficulties in securing an appropriate investor for the project. He also made changes to the project to lower the costs yielding a reduction from \$6.5M to \$1.8M. This was achieved by using a different concept for the project and changing building materials. The new design would consist of reinforced metal buildings similar to those located in on Industrial Drive, near his facility. Mr. Jorif asked the board to extend the deadline to begin construction of the road to November of 2019 or January of 2020. Mr. Jorif is currently operating The Compound RC out of Rockwall.

**H. DISCUSSION AND ACTION REGARDING RC CHAMBER CASINO NIGHT SPONSORSHIP**

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This is the first year the CDC has discussed sponsorship of Chamber's Casino Night event. Sponsorship includes advertising, admission to the event and seats for guests to be seated at the same table (pending level of sponsorship). Casino Night takes place at The Pearl at Sabine Creek on February 22, 2019. They will have a live auction, dinner, silent auction and open bar. Attendance will be capped at 250.

**ACTION (7:46 a.m.)**

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- Mr. Houk made a motion to sponsor at the \$800 level.
- Mr. Vaughn seconded the motion.
- The motion passed 6:0.

**I. DISCUSSION AND ACTION REGARDING AMENDING DATE OF NOVEMBER MINUTES FROM NOVEMBER 11 TO NOVEMBER 27**

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Mrs. Brown dated the minutes of November's meeting as November 11; it should have read November 27.

**ACTION (7:46 a.m.)**

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- Mr. Pense made a motion to amend the minutes from November 11 to November 27.
- Mr. Vaughn seconded the motion.
- The motion passed 6:0.

**J. RECESS INTO CLOSED EXECUTIVE SESSION**

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At 7:46 a.m. regular session recessed in compliance with Texas Government Code to Wit:

- Section 551.087 – Deliberation regarding economic development negotiation
  - The Compound RC
- Section 551.074 – Personnel Matters
  - CDC Director – Larry Lott

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**K. CLOSED EXECUTIVE SESSION AT 8:18 a.m.**

**L. RECONVENE REGULAR SESSION AND TAKE ANY ACTION NECESSARY AS A RESULT OF EXECUTIVE SESSION DELIBERATIONS**

At 8:18 a.m. regular session reconvened.

**ACTION**

- The Compound RC
  - No action
- CDC Director – Larry Lott
  - No action

**DIRECTOR'S REPORT: LARRY LOTT**

*BASEBALL FACILITY*

Mr. Lott met with the financial backer for the baseball facility who seemed positive about the project. Mr. Lott spoke to the owner/ developer of the 107-acre tract Jonathon Crawford who indicated to Mr. Lott that he had placed a timeline on the closing of the property for the ballpark. If Mr. Schuster has not closed by the deadline the contract would become null and void. However, Mr. Crawford also indicated that he would be willing to renegotiate with Mr. Schuster. The CDC will not move forward with bond proceedings until Mr. Schuster has met our requirements (development agreement and commitment from the additional 5 teams). The current plans for the league include Royse City having a team that will play at other facilities until we have a ballpark. This league must begin play in the spring of 2019.

*THIRSTY BRO*

Thirsty Bro has outgrown their current facility faster than anticipated. We are working with them to find another solution that would keep them in our downtown area. They are being approached by other communities; we are working hard to keep them here.

*SESSIONS BBQ*

Smoke Sessions BBQ is still looking for property in Royse City. We continue to work with them to find them a location.

*BEARPEN CREEK UPDATE*

This subdivision wraps around the high school; it is served by a sewer basin without infrastructure. The costs to add the necessary infrastructure will be enormous. They are working on a plan to piecemeal the infrastructure which would allow them to put lots on the ground to generate capital to absorb the costs of the infrastructure. One way to do this is to jump basins from where they are to an existing basin with infrastructure.

*ERBY CAMPBELL TOWER PROJECT*

Weldon Irby owns the 20 acres located on Erby Campbell with an antenna on it. He wants to replace the current antenna with a smaller one that doesn't require guide wires so that he has more property that can be developed.

**L. ADJOURNMENT**

- At 8:29 A.M., Mr. Houk made a motion to adjourn the meeting.
- Mr. Vaughn seconded the motion
- The motion passed 6:0

**ATTEST:**

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Secretary  
Tonya Brown

President / Vice President  
Dena Elder / Mike Gilbert