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**ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION**

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REGULAR MEETING  
7:00 A.M. – CITY HALL  
305 N. ARCH STREET  
ROYSE CITY, TEXAS 75189  
MINUTES – JULY 27, 2021

<b>Members Present</b>	<b>Employees Present</b>	<b>Other:</b>	<b>Members Absent:</b>
Dena Elder, President	Charles Houk, CDC Director	Russell Ratterree, Realtor, City Council	Richard Pense, Treasurer
Bobby Gladu, Vice President		Wendy Johnson, Realtor	Jesse Vaughn II,
		Tanner Dietz, Fire Marshall	Tonya Brown, Secretary
Michael Holder (7:15, 8:40)			
Gary Sanders			
Clay Ellis			

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**A. CALL TO ORDER**

Announce the presence of a quorum.

- At 7:05 A.M., Ms. Elder called the meeting to order. Mr. Ellis gave the invocation.

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**B. DISCUSSION AND ACTION REGARDING MINUTES AND FINANCIAL UPDATE**

Mr. Houk confirmed that a correction to the May Meeting minutes was necessary as addressed in the June meeting. The correction is reflected in the May minutes action taken after executive session. July 2021 sales tax revenue (\$116,885) increased by 7.3% over July 2020 (\$108,888). Over the rolling 12-month period we saw an increase of 24.5%.

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**ACTION (at 7:06 A.M.)**

- Mr. Ellis made a motion to approve the meeting minutes (May 2021 and June 2021) and the current financial status.
- Mr. Sanders seconded the motion.
- The motion passed 5:0.

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**C. CITIZEN'S 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.**

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**D. DISCUSSION REGARDING CURRENT INCENTIVES**

- **Native Station:** to be discussed in a separate item but construction continues on this project. Their current Performance Agreement deadline is this coming Friday (July 30, 2021)
- **Collin County Road 1031:** no updates.
- **Smoke Sessions:** Confirmation is needed to determine whether or not the current parking lot improvement complies with the plans they submitted to the city. The 3-year clock on the second part of the Performance Agreement begins when the parking lot is complete.
- **Thirsty Bro Brewing:** a letter is set to be delivered to Mr. Gordon. Mr. Houk says he has not heard from Mr. Gordon in a month and according to the city, there hasn't been any movement on plans for the project. Mr. Gordon is current on his rent. Mr. Holder stated that, according to the contractor, the city has requested a new plan be submitted. The plans are in the architect's hands.
- **Dust Free:** We have not placed this on the incentive update because we currently do not have a signed Performance Agreement. This project is a type B project.

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**E. DISCUSSION AND ACTION REGARDING AN EXTENSION OF NATIVE STATION PERFORMANCE AGREEMENT DEADLINES**

Mr. Sanders updated the board on the extensive progress that has been made on this project. They are currently waiting on Atmos to install a gas line; the city has low-pressure gas lines; the project needs a high-pressure gas line. Mr. Sanders is requesting a 45-60-day extension and hopes to be open by Labor Day.

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**ACTION**

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- Mr. Gladu made a motion to extend to Native Station’s Performance Agreement deadline to September 15, 2021.
- Mr. Ellis seconded the motion.
- The motion passed 4:0; Dr. Sanders abstained.

**F. DISCUSSION REGARDING DRAFT CDC BUDGET FOR FISCAL YEAR 2021**

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On the revenue side, we currently estimate surpassing our budgeted revenue by about 14%. Historically speaking, CDC staff has taken a conservative approach on projecting revenue for the ensuing fiscal year: Mr. Houk is proposing that we continue that conservative approach and project a 5% increase for FY 2022 revenue. On the expense side, with the exception of two or three items, we are projected to end FY21 under budget. An extensive discussion regarding line items and proposed additional line items for FY22 took place.

**G. RECESSED INTO CLOSED EXECUTIVE SESSION**

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At 7:44 A.M., open session recessed into closed executive session in compliance with the Texas Government Code to Wit:

- i) Section 551.087 – Economic Development
  - (1) Youth sports group opportunity
  - (2) Renovation of Walker-Hawk Park
  - (3) Land acquisition on HWY 66
  - (4) Construction of a community center
  - (5) Family entertainment complex within the city
- ii) Section 551.074 – Personnel Matters
  - (6) Evaluation and potential salary adjustments for CDC employees:
    - b) Executive Director: Charles Houk
    - c) Assistant: Tonya Brown

**H. ADJOURNED CLOSED EXECUTIVE SESSION**

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At 8:37 A.M., executive session adjourned.

**I. RECONVENED OPEN SESSION AND TOOK ANY NECESSARY ACTION AS A RESULT OF EXECUTIVE SESSION DELIBERATIONS**

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At 8:37 A.M., reconvened open session.

**ACTION**

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Section 551.087 – Economic Development:

- i) Economic Development:
  - (1) Youth sports group opportunity
  - (2) Renovation of Walker-Hawk Park
  - (3) Land acquisition on Hwy 66
  - (4) Construction of a community center
  - (5) Family entertainment complex within the city
    - NO MOTION ON ITEMS 1-5
- ii) Personnel Matters
  - (6) Potential salary adjustments
    - a. Executive Director: Charles Houk
      - Mr. Ellis made a motion to increase Mr. Houk’s pay from \$90K - \$95K.
      - Mr. Gladu seconded the motion.

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- The motion passed 5:0.
- b. Assistant: Tonya Brown
  - Mr. Gladu made a motion to increase Mrs. Brown’s pay to \$60K.
  - Mr. Ellis seconded the motion.
  - The motion passed 5:0.

**J. DISCUSSION REGARDING POTENTIAL BOND PACKAGE AND CDC BOARD PRIORITIES FOR THE PACKAGE**

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Mr. Houk is seeking direction from the board regarding pursuing a bond issuance based on our sales tax revenue to be used as collateral for repayment. The purpose of the bond would be to fund some of the proposed future projects for Royse City. Mr. Houk is requesting the boards consent to begin researching the process as it is a multi-faceted process.

**ACTION**

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- At 8:42 A.M. Mr. Gladu made a motion to give Mr. Houk the authority to begin researching the process of a bond issuance for the growth of the city.
- Mr. Sanders seconded the motion.
- The motion passed 4:0

**K. DIRECTOR’S REPORT: CHARLES HOUK**

- **PURCHASE OF DOWNTOWN LAND:** We are waiting on clear to close. The title company is sorting thru the property dispute and title issuance.
- **PURCHASE OF LAND ALONG FM 2642:** The purchase of this property is progressing. The land swap is currently off the table but may return. Due to the land price, this is still a good buy; the land price went down because the property over-surveyed.
- **COUNTY LINE ROAD PROSPECTS:** There is a lot of interest on the 29 acres; one is from a light-manufacturing entity, the other is a logistics entity. Each would be a relocation in Royse City. All interested parties have inquired about an incentive for the road.
- **ANDERSON CROSSING:** The residential developer at this site has backed out. Interest continues to grow for this property. According to the seller, the property is back under contract.
- **MICO-HOSPITAL:** Council has approved the capital improvement plan; however, the plan requires substantially more money than the developer had budgeted for. As a result, they will be coming to us for an incentive to make up the difference. The micro-hospital, planned is for development between Burger King and the car wash, it will have 4 hospital beds.
- **HUNT REGIONAL HEALTHCARE:** This group owns 15 acres in Royse City and plans to build a surgery center within the next 3 years. The timeframe for the residential developer to bring the utilities to them is still unknown.
- **CATALYST COMMERCIAL UPDATE:** New interest is taking place around Anderson Crossing, Royse City Town Center (Imperium) and the last pad site at Walmart.

**L. ADJOURNMENT**

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- At 8:50 A.M. Mr. Gladu made a motion to adjourn.

**ATTEST:**

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**Dena Elder – President or Bobby Gladu – VP**

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**Tonya Brown – Secretary**