



ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION
 REGULAR MEETING – TUESDAY, SEPTEMBER 24, 2024 – 7 A.M.
 CONFERENCE ROOM – CITY HALL – 305 N. ARCH ST. – ROYSE CITY

CDC STAFF IN ATTENDANCE:

INTERIM CDC DIRECTOR LARRY LOTT - PRESENT
 CDC SECRETARY TONYA BROWN - PRESENT
 CDC DIRECTOR CASEY BINGHAM - PRESENT
OTHER:
 CITY ATTORNEY JASON DAY - PRESENT

BOARD IN ATTENDANCE:

PRESIDENT, RICHARD PENSE – PRESENT
 MEMBER, MAYOR CLAY ELLIS – PRESENT
 TREASURER BLAIR JOHNSON – PRESENT
 MEMBER, COUNCILMAN MICHAEL HOLDER – PRESENT
 VICE PRESIDENT, RUSSELL THOMAS – PRESENT
 MEMBER CRAIG LAWRENCE SR. – ABSENT
 MEMBER DAN MCREYNOLDS – PRESENT

THE ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION (RCCDC) BOARD OF DIRECTORS RESERVES THE RIGHT TO REALIGN THE ORDER OF THE AGENDA OR ADJOURN INTO EXECUTIVE SESSION AT ANY TIME TO DISCUSS ANY OF THE MATTERS LISTED ON THE AGENDA, AT ANY TIME PRIOR TO ADJOURNMENT AS AUTHORIZED BY TEXAS GOVERNMENT CODES:

§ 551.071 CONSULTATION WITH ATTORNEY

§ 551.072 DELIBERATIONS ABOUT REAL PROPERTY

§ 551.074 PERSONNEL MATTERS

§ 551.087 DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATION

AGENDA TOPICS:

A. CALL TO ORDER AND INVOCATION. A QUORUM WAS PRESENT. MR. PENSE CALLED THE MEETING TO ORDER AT 7:00 A.M.; MR. ELLIS GAVE THE INVOCATION.

B. DISCUSS AND CONSIDER APPROVAL OF THE AUGUST 27, 2024 REGULAR MEETING MINUTES AND THE CURRENT FINANCIAL STATUS.

SALES TAX REVENUE FOR SEPTEMBER 2024 INCREASED FROM SEPTEMBER OF 2023 BY 28.6% CREATING AN 8.9% INCREASE OVER THE ROLLING 12-MONTH PERIOD.

- AT 7:01 A.M., MR. MCREYNOLDS MADE A MOTION TO APPROVE THE MINUTES.
- MR. ELLIS SECONDED THE MOTION.
- THE MOTION CARRIED 6:0.

C. CITIZENS PARTICIPATION: N/A

- i. Persons may have three (3) minutes to address the board. By law, the board: (1) may not deliberate on items not listed on the item agenda and (2) may only respond with a statement of fact, state policy regarding the issue, or propose placing the item on a future agenda for deliberation.

D. RECESS REGULAR MEETING TO OPEN PUBLIC HEARING: AT 7:02 A.M.

1. TAKE TESTIMONY REGARDING AN INCENTIVE GRANT TO RUSTIC ROYALTY SALON, INC., NOT TO EXCEED \$18,376.91, TO OFFSET THE COST OF CONSTRUCTION FOR THE BUSINESS EXPANSION/REMODEL.

NO PUBLIC COMMENT

E. CLOSE PUBLIC HEARING TO RECONVENE REGULAR SESSION. AT 7:04 A.M.

F. INCENTIVE REQUEST PRESENTATIONS:

1. REVISED INCENTIVE REQUEST PRESENTATION BY CASEY KELLY OF FOUR BROTHERS.
 LAST MONTH CASEY AND RUSSELL KELLY REQUESTED AN INCENTIVE FOR IMPROVEMENTS TO THE FOUR BROTHERS' PARKING LOT. THIS IMPROVEMENT IS PHASE ONE OF THEIR RENOVATION/EXPANSION PLANS. THE QUOTE ONLY INCLUDED ASPHALT. OUR BOARD ASKED THEM TO COME BACK TO US WITH A QUOTE THAT ALSO INCLUDED CONCRETE. THE KELLYS RETURNED WITH A PROJECT ESTIMATE OF \$315K FOR A CONCRETE AND ASPHALT COMBINATION. THEY ARE ASKING THE CDC FOR AN INCENTIVE TO OFFSET SOME OF THE COSTS.
2. INCENTIVE REQUEST PRESENTATION BY JAMES THOMPSON AND LUKE KEIFFER FOR A NEW DOWNTOWN BUSINESS AT 134 EAST MAIN STREET.
 MR. THOMPSON RECENTLY PUT UNDER CONTRACT, THE BUILDING WHERE SWEET FACE SUGAR SHOPPE AND BAKERY WAS LOCATED. THE BUILDING WILL REQUIRE EXTENSIVE WORK INCLUDING ROOF REPAIRS. THE REMODEL IS ESTIMATED TO COST OVER \$200,000; MR. THOMPSON IS ASKING FOR \$100,000 TO OFFSET THE COSTS OF THE REMODEL FOR HIS POTENTIAL TENANT LUKE KEIFFER.

MR. KEIFFER IS ASKING FOR \$150,000 TO HELP OFFSET THE FRANCHISE COSTS OF A CO-BRANDED BUSINESS. MR. KEIFFER PROVIDED A BROAD-RANGE ESTIMATE FOR THE PROJECT.

- G. DISCUSS AND ACT ON RENEWING A PROFESSIONAL SERVICES AGREEMENT WITH GOLDEN SHOVEL FOR ALL OR A PORTION OF CURRENT SERVICES FOR 12 MONTHS.

DISCUSSION TOOK PLACE REGARDING THE SERVICES OFFERED. STAFF DIDN'T FEEL THAT LEAD FORENSICS WAS BENEFICIAL AT THIS TIME.

- AT 7:32 A.M., MR. MCREYNOLDS MADE A MOTION TO RENEW THE CONTRACT WITHOUT LEAD FORENSICS MAKING THE RENEWAL COST \$14,523.
- MR. JOHNSON SECONDED THE MOTION.
- THE MOTION PASSED 6:0

- H. DISCUSS AND ACT ON RENEWING THE PROFESSIONAL SERVICES AGREEMENT WITH FLYER VIEW GROUP FOR 12 MONTHS.

A BRIEF DISCUSSION TOOK PLACE REGARDING THE SERVICES PROVIDED BY FLYER VIEW GROUP.

- AT 7:36 A.M., MR. ELLIS MADE A MOTION TO RENEW THE SUBSCRIPTION WITH FLYER VIEW GROUP FOR \$2,895.00 FOR THE YEAR.
- MR. JOHNSON SECONDED THE MOTION.
- THE MOTION CARRIED 6:0.

- I. DIRECTOR'S REPORT: LARRY LOTT

1. HUNT MEMORIAL HOSPITAL DISTRICT (NEXCORE) PERFORMANCE AGREEMENT UPDATE

THE PERFORMANCE AGREEMENT IS NOW WITH HUNT MEMORIAL HOSPITAL DISTRICT (NOT NEXCORE). MR. LOTT SENT THE AGREEMENT TO THEM FOR REVIEW ON SEPTEMBER 9, 2024.

2. FY24 BUDGET AMENDMENT AND FY25 BUDGET UPDATE

PASSED BY CITY COUNCIL ON 9-10-24.

3. LIME MEDIA PROJECT UPDATE

ROYSE CITY IS NO LONGER A CONSIDERATION DUE TO THE EXTENSIVE COST OF ROAD IMPROVEMENTS TO CIRCLE DRIVE AND THE COST OF THE LAND.

4. SEC ERBY & I-30 AGREEMENT UPDATE.

THIS PERFORMANCE AGREEMENT FOR THE ROAD IMPROVEMENT FOR CIRCLE K IS TIED TO A CAPITAL IMPROVEMENT AGREEMENT STILL BEING DRAFTED/REVIEWED. THE PERFORMANCE AGREEMENT, SENT FOR REVIEW TO CITY ATTORNEY JASON DAY ON SEPTEMBER 13, 2024, CONTAINS A CLAUSE REGARDING REIMBURSING OURSELVES FOR ROADWAY IMPACT FEES. BASED ON A DISCUSSION WITH LACEY, WE ARE NOT LIKELY TO RECEIVE ANY OF THOSE FUNDS AFTER THE DEVELOPER RECEIVES HIS PORTION.

5. DISCUSSION WITH KARI HARGRAVE REGARDING THE CONSTRUCTION OF A NEW BUILDING DOWNTOWN.

MRS. HARGRAVE PLANS TO BUILD A NEW OFFICE BUILDING ON HER VACANT LOT WHICH SITS BETWEEN HER CURRENT BUILDING AND REST HAVEN FUNERAL HOME. SHE PLANS TO LEASE THE CURRENT BUILDING AFTER THE NEW BUILDING IS COMPLETE.

6. DISCUSSION WITH JOE ZYLKA.

MR. ZYLKA IS A DEVELOPER OUT OF ROCKWALL WHO OWNS COMMERCIAL AND RESIDENTIAL LOTS IN RC. HE PLANS TO BUILD MEDICAL OFFICES.

7. DISCUSSION REGARDING THE RETAIL COACH PROFESSIONAL SERVICES AGREEMENT.

STAFF DOES NOT PLAN TO RENEW THE CONTRACT DUE TO THE LACK OF COMMUNICATION AND FOLLOW-THROUGH.

- J. RECESS INTO CLOSED EXECUTIVE SESSION IN COMPLIANCE WITH TEXAS GOVERNMENT CODE TO WIT: AT 7:47 A.M.

i. SECTION 551.087 – ECONOMIC DEVELOPMENT NEGOTIATION

1. DISCUSS AND CONSIDER THE INCENTIVE REQUEST FROM CASEY KELLY OF FOUR BROTHERS
2. DISCUSS AND CONSIDER THE INCENTIVE REQUEST FROM JAMES THOMPSON & LUKE KEIFFER FOR A NEW DOWNTOWN BUSINESS AT 134 E. MAIN ST.
3. DISCUSSION REGARDING RUSTIC ROYALTY PERFORMANCE AGREEMENT

ii. SECTION 551.074 PERSONNEL MATTERS

4. DISCUSS STRATEGIC DIRECTION FOR NEW CDC DIRECTOR: CASEY BINGHAM

K. ADJOURN CLOSED EXECUTIVE SESSION: AT 8:35 A.M.

L. RECONVENE REGULAR SESSION AND TAKE ANY ACTION NECESSARY AS A RESULT OF EXECUTIVE SESSION DELIBERATIONS. AT 8:35 A.M.

1. INCENTIVE REQUEST FROM CASEY KELLY OF FOUR BROTHERS.

- AT 8:36 A.M., MR. ELLIS MADE A MOTION TO GIVE FOUR BROTHERS \$65,000 (INCENTIVE GRANT) TO RESURFACE THE PARKING LOT WITH CONCRETE AND ASPHALT. THE INCENTIVE IS CONTINGENT UPON THE EXECUTION OF A NEGOTIATED PERFORMANCE AGREEMENT SPECIFYING JOB CREATION.
- MR. MCREYNOLDS SECONDED THE MOTION.
- THE MOTION CARRIED 6:0

2. INCENTIVE REQUEST FROM JAMES THOMPSON & LUKE KEIFFER FOR A NEW DOWNTOWN BUSINESS AT 134 E. MAIN ST.

- MR. JOHNSON MADE A MOTION TO TABLE THIS ITEM.
- MR. ELLIS SECONDED THE MOTION
- THE MOTION CARRIED 6:0

3. RUSTIC ROYALTY PERFORMANCE AGREEMENT

NO ACTION

4. DIRECTION FOR NEW CDC DIRECTOR: CASEY BINGHAM.

NO ACTION

M. ADJOURN:

MR. HOLDER MADE A MOTION TO ADJOURN.

MR. MCREYNOLDS SECONDED THE MOTION.

THE MOTION CARRIED 6:0

PASSED AND APPROVED BY THE ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION BOARD OF DIRECTORS ON OCTOBER 22, 2024, 5:0.

ATTEST:

RICHARD PENSE – PRESIDENT

TONYA BROWN SECRETARY