

## STATE OF TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS (“CITY”), APPROVING (I) THE RESOLUTION OF THE BOARD OF DIRECTORS OF THE SEGUIN ECONOMIC DEVELOPMENT CORPORATION (“CORPORATION”) REGARDING A LOAN TO FINANCE THE COSTS OF AN ECONOMIC DEVELOPMENT PROJECT; (II) A SALES TAX REMITTANCE AGREEMENT BETWEEN THE CITY AND THE CORPORATION; (III) RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE PROJECT AND THE LOAN; AND (IV) THE AUTHORITY OF THE MAYOR TO EXECUTE, ON BEHALF OF THE CITY, A GENERAL CERTIFICATE OF THE CITY AND THE AGREEMENTS CONTEMPLATED IN THE RESOLUTION.

**WHEREAS**, the City of Seguin, Texas (the “City”) has created the Seguin Economic Development Corporation (the “Corporation”), a nonprofit economic development corporation duly established and created pursuant to Chapters 501, 502 and 504, Local Government Code, as amended (formerly Section 4A of the Development Corporation Act of 1979, Article 5190.6, Texas Revised Civil Statutes Annotated, as amended), (the “Act”).

**WHEREAS**, the Corporation is authorized to expend its funds, including its economic development sales and use tax proceeds, to pay the costs of an authorized project.

**WHEREAS**, the Board of Directors (the “Board”) of the Corporation has found and determined to expend Corporation resources to acquire real property to be used as a primary job training facility by an institution of higher education which will create and retain primary jobs in the City (the “Project”) and that it is necessary and appropriate to use loan proceeds to finance the Project pursuant to that certain Loan Agreement (as amended, restated, supplemented and/or otherwise modified, the “Loan Agreement”) in the original principal amount not to exceed \$7,484,381.86 (the “Loan”) between the Corporation and Government Capital Corporation (the “Lender”) with such loan evidenced by a promissory note in the aggregate principal amount not to exceed \$7,484,381.86 payable to the Lender (the “Note”).

**WHEREAS**, the Corporation proposes to enter into a Sales Tax Remittance Agreement, dated as of the date of the Loan Agreement, (as amended, restated, supplemented and/or otherwise modified, the “Sales Tax Remittance Agreement”) with the City pursuant to which, among other things, the Corporation will pledge its sales tax revenues to the Lender to secure repayment of the Loan.

**WHEREAS**, the Board adopted a resolution authorizing the Loan and the Sales Tax Remittance Agreement at a meeting of the Board held on March 18, 2025 (the “EDC Resolution”).

**WHEREAS**, the Act requires the City Council of the City to approve the EDC Resolution.

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Seguin, Texas:

**Section 1.** The recitals set forth above are true and correct.

**Section 2.** The Loan and the EDC Resolution authorizing the Loan adopted by the Corporation (the “Corporation Resolution”) on March 18, 2025, and submitted to the City Council

this day, is hereby approved in all respects. The proceeds from the Loan will be to pay the costs of the Project. The City has previously approved the Project in accordance with the Act.

**Section 3.** The approvals herein given are in accordance with the Act, and the Note shall never be construed an indebtedness or pledge of the City, or the State of Texas (the “State”), within the meaning of any constitutional or statutory provision, and the owner of the Note shall never be paid in whole or in part out of any funds raised or to be raised by taxation (other than sales tax proceeds as authorized pursuant to the Act) or any other revenues of the Corporation, the City, or the State, except those revenues assigned and pledged by the Loan Agreement and the Sales Tax Remittance Agreement.

**Section 4.** The City hereby agrees to promptly collect and remit to the Corporation the Economic Development Sales and Use Tax (defined in the Loan Agreement) to provide for the prompt payment of the Note, and to assist and cooperate with the Corporation in the enforcement and collection of sales and use taxes imposed on behalf of the Corporation.

**Section 5.** The Sales Tax Remittance Agreement with respect to the obligations of the City and Corporation during the time the Note is outstanding, is hereby approved. Furthermore, the Mayor and the City Secretary and the other officers of the City are hereby authorized, jointly and severally, to execute and deliver such endorsements, instruments, certificates, documents, or papers necessary and advisable to carry out the intent and purposes of this Resolution, including without limitation the Sales Tax Remittance Agreement.

**Section 6.** This Resolution shall be in force and effect from and after its passage on the date shown below.

**PASSED AND APPROVED this 18<sup>th</sup> day of March 2025.**

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**DONNA DODGEN**  
**MAYOR**

**ATTEST:**

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**Kristin Mueller, City Secretary**