

STATE OF TEXAS

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS
AMENDING A DOWNTOWN HISTORIC DISTRICT LOW INTEREST LOAN
GRANTED TO JASON HOWELL; PROVIDING FOR THE ISSUANCE OF A
PARTIAL RELEASE OF LIEN; DIRECTING THE CITY MANAGER TO EXECUTE
THE NECESSARY DOCUMENTS; AND DECLARING AN EFFECTIVE DATE**

WHEREAS, in June 2019, the City Council approved granting Jason Howell and Community Improvements, LLC (collectively "Jason Howell") a Downtown Historic District Low Interest Loan for the purpose of improving and rehabilitating the 7,843 square foot Hugo Starcke Building located at 121 North Austin Street; and

WHEREAS, as part of the security for the loan, Mr. Howell granted a Deed of Trust to the City for the aforementioned property; and

WHEREAS, the project is complete and the property has been platted so that each of the four storefronts are a separate property; and

WHEREAS, Mr. Howell wants to sell one or more of the properties created by the new plat but still existing as security for the loan; and

WHEREAS, Mr. Howell has agreed that upon the sale of any of the newly platted lots derived from the property at closing a portion of the loan based upon the percent of the square feet sold out of the original 7,843 square feet; and

WHEREAS, staff approves of this loan modification as it may lead to more active use of the involved properties.

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

PART 1. The City Council of Seguin, Texas, hereby approves of a modification to the Downtown Low Interest Loan granted to Jason Howell and Community Improvements that would allow the property secured by a lien in favor of the City under the following conditions:

a. At closing for each of the subdivided parcels the City will be repaid a percentage of the secured loan based on the ratio of square feet sold to the square feet secured by the original loan.

b. All other terms and conditions of the loan shall remain in place.

Part 2. The City Manager is hereby authorized to execute a release of lien for property sold by Mr. Howell and Community Improvements that meets the conditions of this loan modification.

Part 3. This Resolution is effective from and after the date of its execution.

PASSED, AND APPROVED, this the 4th day of October, 2021.

Donna Dodgen, Mayor

ATTEST:

Naomi Manski, City Secretary