



**ECONOMIC
DEVELOPMENT
CORPORATION**

MEMORANDUM

To: Mayor Donna Dodgen
Seguin City Council

CC: Steve Parker, City Manager
Andy Quittner, City Attorney

From: Josh Schneuker, Director of Economic Development / SEDC Executive Director

Date: May 3, 2022

Subject: SEDC Budget Amendment for Project Denali

Summary

Per the Performance Agreement between the Seguin Economic Development Corporation and Yukon Venture Partners, the SEDC is proposing a Performance Based Cash Grant to the Developer in the amount of **\$250,000.00**. The SEDC Incentive will be distributed in three payments, subject to the Developer meeting the following Performance Obligations:

- **1st Payment:** A cash grant in the amount of **\$83,333.33** shall be paid to the Developer within 30 days after closing on the Subject Property.
- **2nd Payment:** A cash grant in the amount of **\$83,333.33** shall be paid to the Developer within 30 days after issuance of a building permit by the City of Seguin.
- **3rd Payment:** A cash grant in the amount of **\$83,333.34** shall be paid to the Developer within 30 days after receiving a final Certificate of Occupancy from the City of Seguin, and subject to the Developer providing evidence of that the capital investment benchmark outlined below was met.

The proposed budget amendment would earmark the **\$250,000.00** for Yukon's Performance Based Cash Grant. Funding will come from the SEDC's Incentive and Infrastructure Fund.

Staff Recommendation

On April 28, 2022, the SEDC Board of Directors approved SEDC Resolution NO. 2022-08, approving the Budget Amendment. Staff is recommending City Council approval of the Budget Amendment.