

**CITY OF SEGUIN DOWNTOWN HISTORIC DISTRICT  
LOAN AGREEMENT**

This Downtown Historic District Loan Agreement (the “Agreement”) is made as of the \_\_\_ day of May, 2020, by and between the City of Seguin, Texas (the “City”) and The Heritage Museum (the “Museum”) for the emergency plumbing repairs to the building located at 114 North River Street in Seguin, Guadalupe County, Texas.

**RECITALS:**

**WHEREAS**, the City desires to encourage economic development and tourism within the Downtown Historic District; and

**WHEREAS**, the Museum provides both educational opportunities for students, citizens and visitors as well tourism opportunities for individuals and groups, particularly for those interested in the history of Seguin and Texas; and

**WHEREAS**, the Seguin City Council approved and funded, subject to certain terms and conditions, a loan program to assist Downtown Historic District property owners in rehabilitating buildings within the District.

**NOW, THEREFORE**, the parties agree as follows:

**1. General Terms.**

**1.1. City’s Loan to Museum.** The City will make a loan to the Museum in the amount of Twenty Thousand Dollars (\$20,000.00), bearing an interest rate of Zero Percent (0%) per annum.

**1.2. Use of Proceeds.** The Museum shall use the proceeds of the loan only for the purpose of rehabilitating the property located at 114 North River Street, Seguin, Guadalupe County, Texas 78155 (the “Property”). The purpose of the Loan is to pay for labor and materials to repair and replace plumbing for the bathrooms on the property (the “Work”) as described in the attached Exhibit “A.”

**1.3. Terms.** The term of the Loan shall be 5 years, with 60 monthly payments beginning October 30, 2020, and those payments shall be in the amount of \$333.33.

**2. Museum’s Agreements.**

**2.1.** Museum shall insure that the proceeds of the Loan are used solely for the Work set forth in Exhibit “A.” Museum shall keep record of the use of the Loan proceeds showing how said proceeds were used to accomplish the Work.

**2.2. Permits.** Museum will obtain, and keep in force, all approvals of the Work (each, a “Permit”) that are required by any federal, state, county, or local government agency (each, a

“Government Authority”). Museum will comply with all applicable laws of any Government Authority (“Government Regulations”). Contractor must have any license required by any Government Authority. Museum will obtain from Contractor and give Lender copies of all licenses and Permits required by any Government Authority.

**2.3. Completing the Work.** The Work shall begin promptly after execution of the Loan Documents. The Work shall proceed diligently and in a good and workmanlike manner. The Work shall not violate any of the conditions, covenants, or restrictions on the Property and shall adhere to all applicable rules and guidelines, including any special rules and guidelines applicable to the Depot District. Museum promises that said Work shall be completed by December 31, 2020. The City shall deem the Work completed upon final inspection by the City and the issuance of a certificate of occupancy for the subject Property.

**2.4. Inspections.** Before the work is completed, the City has the right to enter the Property to inspect the Work without notice to Museum during normal business hours and at any other times that the City arranges with Museum to do so. City inspections are for the City’s benefit only. The City’s inspections create no liability or responsibility to Museum, Contractor, any Suppliers, or any other third parties. Except as required by the City’s building official, the City is not obligated to inspect the Property or the Work.

**2.5. Costs and Expenses.** Museum shall pay all costs and expenses required to satisfy the conditions of this Loan Agreement. Museum shall insure that all contractors and material men are timely paid so that no liens are filed against the Property.

**2.6. Insurance.** Museum shall insure that all contractors carry sufficient insurance to protect both Museum’s and the City’s interests in the Property. Museum shall obtain and keep in force throughout the full term of this Loan Agreement, a hazard insurance policy as required by the Loan Documents. Museum shall also obtain performance and payment bonds ensuring that the contractor completes the work and that all subcontractors are paid.

### **3. The Loan**

**3.1. Administration.** The City shall disburse the Loan proceeds (“Loan Proceeds”) in one lump sum to be distributed within 15 days after the loan closes.

**3.2 Guarantees.** Museum will receive all funds in trust to be used only for payment of work set forth in the attached Exhibit “A.” Museum shall further certify that no material adverse change in Museum’s financial condition has occurred since making application for this loan.

### **4. Defaults and Remedies.**

**4.1. Events of Default.** Museum will be in default under this Loan Agreement and the other Loan Documents if any of the following events (“Events of Default”) occur:

**4.1.1. Nonpayment.** Museum fails to make any payment due under any Loan Document.

**4.2.** In the event of a default, and upon failure of the Museum to remedy said default within thirty (30) days of written notice of the Default, the City may terminate this agreement with the remaining balance being due and owing at that time.

## **5. General Provisions**

**5.1. No Waivers.** The City may choose to delay enforcing any of the City's rights or waive any of the City's rights under this Loan Agreement. The City may delay enforcing or waive any of the City's rights without affecting City's other rights. If the City waives a right, the City can still enforce the same right later.

**5.2. Entire Agreement.** This Loan Agreement and the other Loan Documents are the entire understanding between the City and Museum about the Loan, the Improvements, and the Work, and may not be modified, amended, or terminated except by written agreement signed by the City and Museum.

**5.3. Binding Agreement; Assignment.** This Loan Agreement is for the benefit of the City and the City's successors and assigns, and binds Museum, Museum's heirs, executors, administrators, successors and assigns. Museum may not assign this Loan Agreement without the City's prior written consent, which the City may withhold in its sole discretion.

**5.4. Survival of Representations.** Any promise Museum makes shall survive the termination of this Loan Agreement and the repayment of the Loan.

**5.5. Notices.** Any communication required by this Loan Agreement shall be in writing and addressed to the addressee at the address indicated on the first page of this Loan Agreement.

**5.6. No Third Party Beneficiary.** This Loan Agreement is for the sole benefit of the City and Museum and is not for the benefit of any other party. All conditions to the City's obligation to make any Advance are solely for the City's benefit. No other person, party, or entity shall have standing to require satisfaction of those conditions or be deemed to be the beneficiary of those conditions.

**5.7. Governing Law.** This Loan Agreement is entered in the state where the Property is located (the "State") and shall be controlled and interpreted by the laws of the United States and the State.

**5.8. Exhibits.** The following exhibits are attached to and made a part of this Loan Agreement:

Exhibit "A" - Description of the Work to be performed on the Property

**IN WITNESS WHEREOF**, Museum and the City have executed this Loan Agreement as of the date first set forth on page one.

**THE HERITAGE MUSEUM:**

By: \_\_\_\_\_  
Douglas H. Parker, President of Board of Directors

**STATE OF TEXAS**

**COUNTY OF GUADALUPE**

BEFORE ME, the undersigned authority, on this \_\_\_\_ day of May 2020 personally appeared Douglas H. Parker and acknowledged that in his authority as President of the Heritage Museum Board of Directors he executed the above Downtown Loan Agreement for the purposes and consideration therein expressed.

\_\_\_\_\_  
Notary Public  
For and In the State of Texas

**CITY OF SEGUIN, TEXAS**

By: \_\_\_\_\_  
Steve Parker, City Manager

**STATE OF TEXAS**

**COUNTY OF GUADALUPE**

BEFORE ME, the undersigned authority, on this \_\_\_\_ day of May 2020 personally appeared Steve Parker, in his capacity as City Manager of the City of Seguin, Texas, and acknowledged that he executed the same for the purposes and consideration therein expressed.

\_\_\_\_\_  
Naomi Manski NOTARY PUBLIC  
STATE OF TEXAS