



ECONOMIC DEVELOPMENT CORPORATION

To: Donna Dodgen, Mayor
Seguin City Council

CC: Steve Parker, City Manager
Mark Kennedy, City Attorney
Susan Caddell, Director of Finance

From: Josh Schneuker
Director of Economic Development | SEDC Executive Director

Date: March 18, 2025

Subject: ATM Lease Agreement – City of Seguin and Wells Fargo

Historical Background

As part of The Nolte Redevelopment Project, the City of Seguin purchased the property at 101 E. Nolte Street on January 29, 2024. Previously owned by Wells Fargo Bank, the property continues to operate as a Wells Fargo branch under a lease agreement between the City of Seguin and Wells Fargo. The initial 12-month lease term began on January 29, 2024, and was set to expire on February 28, 2025, with automatic 90-day renewals thereafter. Wells Fargo pays the City \$14,050 per month in rent, which offsets costs associated with The Nolte Redevelopment Project.

On September 17, 2024, City Council approved an amendment to the lease, extending the expiration date from February 28, 2025, to April 30, 2025. The lease will automatically renew for up to six successive months unless either party provides at least 30 days' written notice of termination.

Action Requested and Proposed Terms of ATM Lease

Wells Fargo is preparing to relocate to a new branch location later this spring. To ensure continued ATM service at the site, the City of Seguin and Wells Fargo propose entering into an ATM Lease Agreement. The key terms are as follows:

- **Lease Date:** Upon execution by both parties.
- **Landlord:** City of Seguin, a Texas municipal corporation.
- **Tenant:** Wells Fargo Bank, N.A., a national banking association.
- **Development:** 101 East Nolte Street, Seguin, Texas (Guadalupe County Property ID 27916, Lots 1-10, Block 155, Inner Addition).
- **Premises:** The ATM pad, as depicted in the attached site plan (Exhibit A). (The lease does not include the underlying land.)
- **Commencement Date:** May 1, 2025. (The ATM is already in operation as of this date.)
- **Rent Commencement Date:** May 1, 2025.
- **Expiration Date:** Eighteen (18) months after the Rent Commencement Date, with both parties having the option to terminate the lease any time after the first anniversary (nine months later) with 60 days' written notice.
- **Monthly Rent**

<u>Term</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
Initial Term	\$9,000	\$750

- **Rent Payment:** Tenant shall pay via ACH transfer. The City will provide its ACH details within five (5) business days of the lease date.

Fiscal Impact

The City of Seguin will receive \$750 per month (\$9,000 annually) in rent under the ATM Lease Agreement.

Staff Recommendation

Staff recommends approval of the resolution **authorizing the City Manager to execute an ATM Lease Agreement between the City of Seguin and Wells Fargo Bank, N.A.**

Attachments

- ATM Lease Agreement