

CITY OF SEGUIN

RESOLUTION NO. _____

STATE OF TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS AWARDED A DOWNTOWN HISTORIC DISTRICT LOW INTEREST LOAN TO JASON HOWELL FOR REHABILITATION OF THE HUGO STARCKE BUILDING LOCATED AT 1421 NORTH AUSTIN STREET; DIRECTING THE CITY MANAGER TO NEGOTIATE A FINAL COMMERCIAL LOAN AGREEMENT WITHIN THE TERMS OF THE CITY'S EXISTING PROGRAM POLICY; AND DECLARING AN EFFECTIVE DATE

WHEREAS, in 2014 the City Council established and funded a Downtown Historic District Low Interest Loan Program to spur economic revitalization and business growth and development in the Downtown Historic District; and

WHEREAS, to date Mr. Jason Howell is the only person or entity that has applied for a loan from the program; and

WHEREAS, Mr. Howell's second floor apartment project on River Street has been completed and all of the properties are leased; and

WHEREAS, Mr. Howell purchased the Hugo Starcke Building as a rehabilitation project with the ultimate goal of creating five commercial bays for retail, service, or office tenants; and

WHEREAS, to date Mr. Howell has invested \$215,000.00 in the project and estimates that an additional \$350,000.00 will be needed to complete the project; and

WHEREAS, if the loan is approved the City would be the primary lien holder at a 2.09% interest rate; and

WHEREAS, dependent on the appraisal of the building staff is recommending that Council authorize the city manager to negotiate a loan at up to 80% of the building's current appraised value not to exceed \$200,000.00

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

SECTION 1. The City Council hereby approves the award of a Downtown Historic District Low Interest Loan to Mr. Jason Howell in the amount not to exceed \$200,000.00.

SECTION 2. The City Manager is authorized to negotiate and execute the commercial loan document at the interest rate set and terms and conditions existing in the City's Low Interest Downtown Historic District Loan Program.

SECTION 3. This resolution is effective on the date of its passing.

PASSED AND APPROVED this 16th day of July 2019.

DON KEIL, MAYOR

ATTEST:

Naomi Manski, City Secretary