



**ECONOMIC
DEVELOPMENT
CORPORATION**

To: Donna Dodgen, Mayor
Seguin City Council

CC: Steve Parker, City Manager
Mark Kennedy, City Attorney

From: Alora Wachholz
Director of Economic Development | SEDC Executive Director

Date: 06-16-2026

Subject: Resolution Authorizing City Manager to execute a Property Conveyance Development Agreement with GFNT-Seguin, LLC, on behalf of The Nolte Project

Overview

City Council authorized Resolution 2025R-212 on October 6, 2025, authorizing the City Manager to execute a non-binding term sheet with GFNT, LLC, now GFNT-Seguin, LLC, for the proposed redevelopment of The Nolte Project. In the Term Sheet, several intentions were made, including that GFNT-Seguin, LLC, would work with the City to better develop and understand project details, scope, and financial commitments required for the project, as well as potential City partnership opportunities. The culmination of such efforts was identified as the development of a legally binding Property Conveyance Development Agreement (PCDA) for the project, which would identify certain thresholds to be met by both parties to proceed with the project by rightfully conveying the Nolte property from the City to the Developer.

Before Council now is the PCDA agreement for consideration. In it are Milestones that outline what needs must be met for a Purchase and Sale Agreement (PSA) between the City and the Developer to be finalized and executed. Those Milestones include the following:

A: Within 90 Days:

- i. Developer shall deliver to COS a completed schematic design set ("SD Set");
- ii. Developer shall deliver to COS the Financial Model, including a development budget, construction budget, sources and uses of funds, gap analysis and a summary of public funding requests;

B: Within 180 Days:

- i. Developer shall deliver to COS a completed design development set ("DD Set");
- ii. Developer shall deliver an updated Financial Model;
- iii. Developer and COS shall collaborate to achieve an agreed-upon Underwriting Threshold;

C: Within 365 Days:

- i. Developer shall deliver a permit-ready set of "for construction" plans including architectural, structural, MEP, civil, landscape and ADA compliance;
- ii. COS shall provide a draft of the PSA, including the purchase price ("Purchase Price");

D: Within 455 Days:

- i. Developer shall deliver a guaranteed maximum price contract (the "GMP") for the construction of the Project;
- ii. Developer shall deliver final terms for the Capitalization of the Project including all sources of funding;
- iii. Developer and COS shall finalize the PSA;

E: Upon completion of C. above, COS shall work cooperatively with Developer to prepare a reasonable incentive package that meets the needs of this Project, which may include the Purchase Price, property tax abatement, economic development grants, infrastructure grants, etc.;

F: Within 545 Days:

i. Upon completion of D. and E. above, to the satisfaction of COS, COS shall convey the Property to Developer, pursuant to the PSA, simultaneously with the closing of construction financing (the "Closing Date") for the Project.

Other important features of the attached PCDA under consideration include Section 15. regarding breach that specifies that, should the City terminate this contract following completion of Milestone A, they agree to repay Developer all pre-development project costs assumed to date, Section 14. that specifies that if construction has not commenced within 24 months of the PCDA execution, that the Property shall revert to the City (if Closing has occurred), and multiple iterations explaining that the City of Seguin shall retain access to all pre-development project studies and reports.

Fiscal Impact

None

Staff Recommendation

Staff requests that the Seguin City Council consider and approve a Resolution authorizing the City Manager to execute a Property Conveyance Development Agreement with GFNT-Seguin, LLC on behalf of The Nolte Project.

Attachments

1. Resolution Authorizing City Manager to Execute a Property Conveyance Development Agreement with GFNT-Seguin, LLC
2. Property Conveyance Development Agreement (PCDA) for The Nolte Project