

**SEDC Resolution NO. 2025-05**

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SEGUIN ECONOMIC DEVELOPMENT CORPORATION APPROVING A SETTLEMENT AGREEMENT, INCLUDING A TEMPORARY CONSTRUCTION EASEMENT, WITH YUKON VENTURE PARTNERS, LLC

**WHEREAS**, the Seguin Economic Development Corporation (the “SEDC”) is a public instrumentality and non-profit industrial development corporation duly established and operating under Texas Local Government Code, Chapters 501 and 504, *et seq.*, as amended, known as the Development Corporation Act of 1979 (the “Act”); and

**WHEREAS**, the SEDC and Yukon Venture Partners, LLC (the “Company”) entered into a Performance Agreement pursuant to the Act, with an effective date of May 5, 2022 (the “Agreement”); and

**WHEREAS**, the SEDC and the Company entered into a First Amendment to the Agreement, with an effective date of June 7, 2023 (the “First Amendment”); and

**WHEREAS**, the SEDC and the Company entered into a Second Amendment to the Agreement, with an effective date of February 23, 2024 (the “Second Amendment”); and

**WHEREAS**, under the Agreement, the Company was obligated to undertake certain performance requirements, including the commencement of construction of a cold-storage facility with a minimum capital investment of \$30,000,000; and

**WHEREAS**, the Company failed to satisfy its performance obligations, specifically the requirement to secure a building permit by December 31, 2024, thereby triggering a default under the Agreement; and

**WHEREAS**, on January 9, 2025, the SEDC Board of Directors authorized the termination of the Agreement and the recoup of all incentives amounts paid pursuant to the Agreement, and formal notice of default and termination was issued to the Company on January 22, 2025; and

**WHEREAS**, SEDC staff have since met with Company principals to discuss other remedial options which might be agreeable to both parties; and

**WHEREAS**, as a result of such discussions, SEDC and Company have agreed to enter into a Settlement Agreement, which includes the issuance by Company of a Temporary Construction Easement to the SEDC to enable the installation

of certain public infrastructure in order to promote commercial and industrial development, in lieu of recouping the Grant payment made to Company as an economic development incentive; and

**WHEREAS,** the SEDC finds the acceptance of the Temporary Construction Easement to be a satisfactory resolution to Company default under the Agreement, and finds it to be in the best interests of the SEDC and the City of Seguin;

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SEGUIN ECONOMIC DEVELOPMENT CORPORATION THAT:**

**SECTION 1.** The Board of Directors hereby finds and declares that the recitals set forth above are true and correct and are incorporated herein for all purposes as if fully set forth herein.

**SECTION 2.** The Board of Directors hereby approves the Settlement Agreement and Temporary Construction Easement attached hereto as Exhibit "A," in lieu of proceeding to recoup the previously-paid incentive amount of \$83,333.33.

**SECTION 3.** The Board of Directors hereby authorizes the Executive Director to take all actions necessary to execute the Settlement Agreement and Temporary Construction Easement, as approved by legal counsel for the SEDC, and to execute any additional documents necessary to carry out the intent and purpose of this Resolution.

**SECTION 4.** In the event any provision of this Resolution, the Settlement Agreement, or the Temporary Construction Easement, is determined to be void or unenforceable, such determination shall not affect the remainder of such documents, which shall continue to be in force.

**SECTION 5.** This Resolution is effective upon passage.

**PASSED AND APPROVED** on this 15<sup>th</sup> day of May 2025, by the Board of Directors of the Seguin Economic Development Corporation.

  
Don Keil, President

ATTEST:

  
Robert Meservey, Secretary