

**CITY OF SEGUIN**

**RESOLUTION NO. \_\_\_\_**

**STATE OF TEXAS**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS AUTHORIZING THE EXECUTION OF A PERFORMANCE AGREEMENT BETWEEN THE SEDC AND CHICK-FIL-A, INC. FOR AN INFRASTRUCTURE GRANT TO OFFSET CERTAIN COSTS FOR IMPROVEMENTS REQUIRED TO SERVE A NEW RESTAURANT FACILITY IN SEGUIN**

**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**, Goal 2, Strategy 1 of the Seguin Comprehensive Economic Development Strategy (CEDS) calls the SEDC to focus on attracting new businesses, specifically those in Seguin’s identified targeted industries, to promote economic growth and diversification; and

**WHEREAS**, one of the five specific targeted industries identified through the CEDS is strategic retail development that can help make Seguin more attractive to workers and new businesses, increase opportunities for entrepreneurship, and that will continue to improve the quality of life for all; and

**WHEREAS**, Chick-fil-a, Inc. (“Company”) owns and operates one of the largest, most well-regarded, privately held quick service chicken restaurant chains in the United States with more than 3,000 locations in 48 states, Washington, D.C., Puerto Rico, and Canda; and

**WHEREAS**, the Company is planning construction of their first restaurant facility in Seguin at an estimated cost of \$3.5 million, and is anticipated to add more than 30 full-time equivalent employee positions locally and approximately \$454,000 in State and local sales tax revenues annually; and

**WHEREAS**, the Company seeks certain incentives from the SEDC to help offset costs associated with the installation and construction of certain infrastructure improvements to serve the new restaurant facility; and

**WHEREAS**, Texas Government Code Section 501.103 authorizes expenditures that are found by the SEDC to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises; and

**WHEREAS**, Section 501.158 of the Act requires the approval of a performance agreement for any direct incentives provided by a corporation to an business enterprise, and to include in such agreement a schedule of additional payroll or jobs to be created or retained, new capital investment to be made as consideration, and to specify terms under which repayment must be made if the business enterprise does not meet the performance requirements specified in the agreement; and

**WHEREAS**, on August 15, 2024, the SEDC Board of Directors passed Resolution No. 2024-16, authorizing the execution of a Performance Agreement between the SEDC and Chick-Fil-A, Inc. for an infrastructure grant to offset certain costs for improvements required to serve a new restaurant facility in Seguin; and

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

**SECTION 1.** The Seguin City Council hereby finds that all the recitals above are true and correct and are incorporated herein as if restated in full.

**SECTION 2.** The Seguin City Council authorizes the execution of a Performance Agreement between the SEDC and Chick-Fil-A, Inc. for an infrastructure grant to offset certain costs for improvements required to serve a new restaurant facility in Seguin, as reflected in the attached Exhibit “A”.

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

**PASSED AND APPROVED this 20<sup>th</sup> day of August 2024.**

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**DONNA DODGEN, MAYOR**

**ATTEST:**

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**Kristin Mueller**  
**City Secretary**