

CITY OF SEGUIN

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

STATE OF TEXAS

**A RESOLUTION OF THE CITY COUNCIL OF SEGUIN, TEXAS APPROVING A PROMISSORY NOTE BETWEEN THE CITY AND THE SEGUIN ECONOMIC DEVELOPMENT CORPORATION IN THE AMOUNT OF \$2,000,000.00, FOR THE PURCHASE OF APPROXIMATELY 60.142 ACRES OF LAND FOR ECONOMIC DEVELOPMENT; APPROVING THE SEDC EXPENDITURE FOR THE LAND; AND DECLARING AN EFFECTIVE DATE**

**WHEREAS**, the Seguin Economic Development Corporation (the "SEDC") has the opportunity to purchase 60.142 acres of land from the Blumberg Family Investment Partnership (the "Property"); and

**WHEREAS**, the property is located between Guadalupe and Eight Streets south of IH-10 and is one of the last parcels of available land that is serviced by all three city utilities; and

**WHEREAS**, the Property is ideally situated for a targeted industrial client that would bring higher paying jobs and other economic benefits to the City; and

**WHEREAS**, the City and the SEDC propose to enter into the attached Promissory Note wherein the City utility fund would provide the purchase money for the property, at no interest, that would be paid back by the SEDC over an eight-year period; and

**WHEREAS**, gaining a new business that utilizes all three city utilities would be a large benefit to the City utilities such that it would support the temporary use of the funds without receiving interest therefrom; and

**WHEREAS**, working with the SEDC in this fashion would also benefit the citizens of Seguin; and

**WHEREAS**, on June 7, 2019, the Board of Directors for the Seguin Economic Development Corporation approved the purchase of the Property and entering into a Promissory Note with the City of Seguin for the purchase money.

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

**PART ONE.** The City Council approves the use of \$2,000,000.00 from the City's Utility Fund for the purpose of a loan to the Seguin Economic Development Corporation for the purchase of real property.

**PART TWO.** The City Council approves the attached Promissory Note and hereby authorizes the City Manager to execute said note.

**PART THREE.** The City Council approves the expenditure of not more than \$2,000,000.00 by the Seguin Economic Development Corporation for the purchase of 60.142 acres of land from the Blumberg Family Investment Partnership.

**PART FOUR.** This resolution is effective from and after the date of its passage.

**PASSED AND APPROVED** on this 18<sup>th</sup> day of June 2019.

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DON KEIL, MAYOR

ATTEST:

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Naomi Manski, City Secretary