



Hemisfair Park Area Redevelopment Corporation
Meeting Minutes
Friday, January 13, 2017
8:00 AM

Board Members in Attendance:

Bill Shown, Chair
Rod Radle, Treasurer
Sue Ann Pemberton, Secretary
Dirk Elmendorf
Lori Houston
Cynthia Lee
Juan Landa
Shokare Nakpodia

Board Members Not in Attendance:

Dan Lopez, Vice-Chair
Cara DeAnda
Tracy Hammer
Ben Gorzell

Staff Members in Attendance:

Andres Andujar
Omar Gonzalez
Geoff Baldwin
Drew Hicks
Traci Lewand
Terry Garcia

Other Guests & Visitors:

Karl Baker
Veronica Zertuche
Rene Garcia
Tara Snowden
Vanessa Said
Judy Simon
Mary Rozell
Makayla Matheson
Bill Fisher

Call to Order – Hemisfair Board Chair Mr. Shown called the meeting to order at 8:15 AM.

Citizens to be Heard

There were none.

Approval of the October 14, 2016 Meeting Minutes – Bill Shown

Mr. Shown presented the October 14, 2016 meeting minutes for comments and discussion. There being none, Ms. Lee offered a motion to accept the minutes as presented and Mr. Landa provided a second. There being no further discussion, Mr. Shown asked for a voice vote and the motion passed unanimously.

FY16 External Audit Report briefing and possible Action – Omar Gonzalez

Mr. Gonzalez introduced the lead auditors, Makayla Matheson and Bill Fisher, from BKD, LLP who attended the meeting to present the final audit report. The following were items of note:

- A prior year financial statement was restated. Ms. Matheson advised that the action was required because of interpretation of a GAAP requirement regarding philanthropic gifts and support.
- BKD had no disagreements with management and found no deficiencies.
- BKD had suggestions for internal controls regarding segregation of some accounting and payroll duties even for small firms such as HPARC.
- BKD confirmed the Board reviews staff actions through Committees.

Mr. Shown opened the floor to discussion and questions. Mr. Radle noted that the need to reclassify a prior year statement was questioned by the committee before issuance of prior audit.



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Meeting Minutes
Friday, January 13, 2017
8:00 AM

The auditors assured the Audit Committee that the stated position was correct. There being no further discussion, Ms. Pemberton provided a motion to accept the audit as presented and Mr. Landa provided a second. Mr. Shown asked for a voice vote and the motion passed unanimously.

Northwest Zone P3 Sublease and other agreements briefing and possible action – Omar Gonzalez

Mr. Gonzalez reported to the Board that the process for choosing a development partner for the NW Quadrant started two years ago. The review process included a third party, blue-ribbon panel. Ultimately it was decided that the Zachry team is the best proposer as it will invest more, has a solid reputation, is local, and offered a better overall economic and urban plans, including return to Hemisfair. Highlights of the agreement follows:

- 97-year term (50 years plus extensions).
- Due diligence period is through June with two extensions, if needed, to August.
- If the contract is terminated after due diligence, Zachry owes Hemisfair money.
- Construction is expected to begin mid-2018.
- Additional related agreements such as parking garage sublease and recognition agreements, will coincide with the lease.
- These agreements are scheduled to be presented at City Council Committees on January 17 and January 24, 2017.
- City Council is expected to vote on these agreements on February 2, 2017.

Ms. Houston advised that the City is in pursuit of HOT funds that could net \$800K to \$2M annually. Mr. Shown reminded the Board that negotiations have been happening for a year. In terms of retail restrictions, Mr. Gonzalez assured the Board that Hemisfair would have to approve national or fast food vendors before they are chosen over local tenant options. Mr. Landa provided the following motion:

WHEREAS, the Board has reviewed, discussed and approved the key business terms that have been negotiated between HPARC and ZH HPARC Developer Company, LLC with respect to the Development Sublease Agreement between such parties and pertaining to the development of certain development parcels in the Northwest Quadrant of the Hemisfair District;

WHEREAS, the Board has also reviewed, discussed and approved the key business terms that have been negotiated between HPARC, ZH HPARC Developer Company, LLC and the Hemisfair Park Public Facilities Corporation with respect to the Parking Garage Development Agreement between such parties and pertaining to the development of a certain parking garage underneath those development parcels;

NOW, THEREFORE, BE IT RESOLVED THAT the Board hereby authorizes the Executive Committee of the Board to review, finalize and approve the final forms of the Development Sublease Agreement, the Parking Garage Development Agreement and such other ancillary documents associated therewith that may be required to effectuate and implement such transactions so long as all such agreements and documents are in accordance with the key



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business terms that were presented, reviewed, discussed and approved by the Board on this day;

BE IT FURTHER RESOLVED THAT following approval by the Executive Committee of the Board of the final form of the Development Sublease Agreement, the Parking Garage Development Agreement and their ancillary documents and approval of such agreements and documents by the Board of Directors of the Hemisfair Park Public Facilities Corporation, the Chief Executive Officer of HPARC shall be authorized to execute such agreements and documents on behalf of HPARC.

Mr. Elmendorf provided a second. There being no further discussion, Mr. Shown asked for a voice vote and the motion passed unanimously.

Briefing and Possible Action to add District 1 Councilman Roberto Carlos Treviño to the Planning & Development Committee – Bill Shown

Mr. Shown reminded the Board of discussion at the last meeting to add Councilman Roberto Carlos Treviño to the Planning & Development Committee. Mr. Elmendorf provided a motion to accept this recommendation and Mr. Radle provided a second. There being no further discussion, Mr. Shown asked for a voice vote and the motion passed unanimously.

At this point, Ms. Pemberton departed the meeting and there was no quorum.

CEO Report – Andres Andujar

Mr. Andujar highlighted the following activities:

- A final determination for 2017 Bond funding including civic park and complete streets will be considered on January 19th in City Council A session.
- Northwest Zone P3 is scheduled for the February 2nd City Council meeting. Mr. Shown requested Board presence at this meeting in a show of support.

Committee Updates – Presented by Committee Chairs

A written report (see attached) was provided for the following committees:

- Executive Committee, Bill Shown – Expressed appreciation for all members of the Board remaining active and diligent in pursuit of Bond funds and working towards resolution of the NW P3.
- Art & Activation, Sho Nakpodia (presented by Traci Lewand) – Reported 461 activations scheduled for 2017. Tai Chi will be added to the activations. She reminded the Board of the upcoming Mockingbird Fest.
- Communications, Cynthia Lee – The efforts of Hemisfair made #5 on the SABJ top stories list for 2016. The Committee is in search of a creative way to showcase Yanaguana Gardens and provide exposure.
- Finance, Cara DeAnda (presented by Omar Gonzalez) – The Committee approved a distribution of support to the Conservancy. Ms. Krause offered that fundraising to date exceeds the first half of 2016. Mr. Radle stressed the importance of Board giving



Hemisfair Park Area Redevelopment Corporation
Meeting Minutes
Friday, January 13, 2017
8:00 AM

- as a requirement of Board service.
- Planning & Development, Tracy Hammer (presented by Omar Gonzalez) – Signage is in the works throughout the park. We are in the process of replacing ground cover in the Theater Plaza with a porous concrete. Hemisfair is assisting CoSA with a draft RFI for the River Building.

Resolution Recognizing Paul Foster’s Board service – Bill Shown

Mr. Shown read a resolution honoring Mr. Foster’s years of service on the Board. Ms. Lee offered a motion to accept the resolution, proforma as an unofficial action of the Board, and Mr. Elmendorf provided a second. There being no further discussion, Mr. Shown asked for a voice vote and the motion passed unanimously, proforma.

Briefing and possible action to authorize Hemisfair staff to obtain a Texas Alcohol & Beverage Commission license – Traci Lewand

This item was deferred to a future meeting.

Executive Session

The Board did not adjourn to Executive Session.

Board Member Comments

None.

Adjournment

There being no further business, Mr. Shown adjourned the meeting at 9:22 AM.

ACCESSIBILITY STATEMENT

This meeting is accessible to persons with disabilities. Parking is available. Auxiliary aids and services, including Deaf interpreters, must be requested forty-eight (48) hours prior to the meeting. For assistance, call (210) 354-2947, or 711 (Texas Relay Services for the Deaf).