



**Hemisfair Park Area Redevelopment Corporation**  
**Board Meeting Agenda**  
**Friday, January 5, 2018**  
**8:00 AM – 10:00 AM**  
**Convention Center, Room 205**

**Board Members in Attendance:**

Bill Shown, Chair  
Sue Ann Pemberton, Secretary  
Rod Radle, Treasurer  
Cara DeAnda  
Dirk Elmendorf  
Troy Elliott  
Juan Landa  
Cynthia Lee

**Board Members Not in Attendance:**

Dan Lopez, Vice-Chair  
Tracy Hammer  
Lori Houston  
Shokare Nakpodia

**Staff Members in Attendance:**

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

**Other Guests & Visitors:**

Karl Baker  
Veronica Zertuche  
Anne Krause

**Call to Order**

Hemisfair Board Chair, Mr. Shown, called the meeting to order at 8:12 AM.

**Citizens to be Heard**

There were none.

**Approval of October 13, 2017 Meeting Minutes – Bill Shown**

Mr. Shown presented the October 13, 2017 meeting minutes for comments and discussion. Mr. Baker asked that the word “Executive” be added to both the Committee Update section and the paragraph preceding this section. Mr. Radle offered a motion to accept the minutes as amended and Mr. Landa provided a second. There being no further discussion, Mr. Shown asked for a voice vote and the motion passed unanimously.

**CEO Report – Andres Andujar**

Mr. Andujar provided the following updates:

- Northwest Zone: We have executive session today to discuss progress of the Northwest Zone Public/Private Partnership.
- Southwest Zone: Commonwealth Coffee and Bakery and Con Safos are nearing. Dough Pizzeria’s work is more complex due to the building addition and is expected to open Spring 2018.
- Eastern Zone: Urban Design Manual should be completed later this month and presented to the Planning & Development Committee.
- Events: The events team is engaging in strategic partnership discussions with organizations such as Diwali Festival, Luminaria, Sports Foundation and Maverick Plaza redeveloper Johnny Hernandez. The goal is to leverage large third-party events attractive to locals and to make them better by our participation.
- Bond Update:
  - South Alamo Street is fully funded and design will be kicked off as soon as street section is determined based on impacts from Alamo Plaza closure



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- Hemisfair Boulevard is underfunded but design can proceed with the expected park street character. Full funding still needs resolution, and a multi-year funding plan is under development.

The team conducted a staff retreat to review how we should best organize to address the next phases of work at Hemisfair, including a full update of team roles and responsibilities. Francisco Gonima acted as facilitator. As follow up to our internal retrospective, we are proposing a board retreat, details to follow today.

Mr. Shown advised that the Board retreat is scheduled for March 2 and will require a day-long commitment from everyone.

**Briefing and Possible Action on FY17 Financial Audit – Cara DeAnda and Omar Gonzalez**

Mr. Gonzalez informed the Board that work concluded on the FY17 audit. BKD is our external auditor, and we involved Finance and Executive Committees. Mr. Gonzalez introduced the lead BKD auditor, Makayla Matheson, for the audit presentation.

Ms. Matheson provided the following overview:

- From a balance sheet perspective, the organization stayed consistent and showed growth in revenue. That growth is represented by increased conservancy funds, and parking and tenant revenues.
- There were no findings. There were a couple of audit adjustments (accrue payables) and a correction of net restricted position. All suggestions were taken by Management.
- Material weakness from previous year has been resolved. Auditors identified funds that should have been moved to unrestricted because the money was spent. The accounting has since been corrected.
- Control deficiencies occur because of lack of segregation of duties or when one person does more than would happen in a larger organization. BKD's suggestion is to put best policies in place and continue to exercise oversight.
- BKD recommends HPARC adopt a formal IT Security policy.

Mr. Elliot asked that staff look at instituting a risk policy for day to day operations such as a fidelity bond. He also suggested a formalized IT policy that outlines who has access to systems, who can make changes, etc. Mr. Shown recommended engaging a third party for policy draft development.

Ms. DeAnda offered a motion to accept the audit as presented and Mr. Radle provided a second. There being no further discussion, Mr. Shown asked for a voice vote and the motion passed unanimously.

**Conservancy Capital Campaign Updates – Anne Krause**

Ms. Krause informed the Board that donations raised to date are \$1,050,000. The donor base increased from 509 donors in 2016 to 550 donors in 2017. In aggregate, \$819,845 in grants have been issued to HPARC. Ms. Krause will ask Shannon Perry to analyze donor retention to report at the next Board meeting. Ms. Krause was happy to report 100% Board participation from the Conservancy and HPARC Boards. She feels that is an important point when approaching corporations for grants.

Ms. Krause presented the Conservancy capital campaign plan for consideration. Conservancy has received written campaign commitments from 12 of the 13 HPARC board members solicited. These meetings should be completed by month's end.



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Ms. Krause shared that Mr. Shown and Madison Smith are planning a gathering for current and previous Board members to get everyone re-engaged.

**Briefing and Possible Action on CEO Leadership Attributes – Bill Shown**

Mr. Shown noted that the Board developed a series of attributes for leadership. The overall goal is trust and fairness through transparency and leadership.

Mr. Radle pointed out that this was a mutual dialogue to come up with the attributes. The Executive Committee is looking at attributes for Board membership also as the Board strives to attract passionate, professional and dedicated people without an agenda. Mr. Shown sees these attributes in the Board members around the room and noted that we sometimes forget to nurture the culture that brought us success.

**Committee Updates –**

1. Executive Committee – Bill Shown  
No report.

2. Art & Activation – Sho Nakpodia (absent). Traci Lewand presented.  
Ms. Lewand informed the Board that although cold weather is slowing activation, work on the 50th Anniversary celebration remains a priority. Operations is working to secure additional vendors and with Instituto and other neighbors to activate their spaces. The Art in the Park vendor will be the Inspire Community Center. The Trinidad Group is sponsoring Super Fun Saturdays, for March (bubbles), April and May (sensory events).

The Stuart Allen shade sculpture was approved a year ago and installation begins in February. This art piece was funded through Public Art San Antonio (PASA) and has a utilitarian function of shade through a sculptural concept.

3. Communications – Cynthia Lee and Drew Hicks  
Mr. Hicks provided an overview of Cision generated data:
  - Of media clips over 60 days, Luminaria generated the most media clips.
  - The press release regarding the 300<sup>th</sup> celebration generated the most media coverage.
  - Social media unique visitors per month spiked around the larger events.
  - Of all social media, Twitter generated the largest numbers except for New Year's Eve when online interest surpassed Twitter.

Focus for the next 90 days will be on promoting the 50th anniversary. A mailer campaign goes out in the next couple of weeks and a memories campaign has rolled out on social media. A STEM pavilion has started to take shape, called "The Future Created."

4. Finance – Cara DeAnda  
FY17 Audit previously discussed.
5. Planning & Development, Tracy Hammer and Omar Gonzalez
  - A series of aerial photos taken of the AREA site before the holidays were presented in slides. Expected completion is Spring 2019.
  - CommonWealth Coffee & Bakery – Mr. Shown complemented the work done to bring the historic buildings back to life. He dined at CommonWealth and was amazed. Mr. Radle brought his youngest son down every day during the



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holidays to get coffee while the children played in the sand. Ms. Pemberton pointed out that the design standards were intentional and are serving a positive purpose.

- A combined grand opening event for Commonwealth and Con Safos is scheduled for the January 25.
- Dough Pizzeria – The solarium addition is finished and a concept for an outdoor kitchen is in the works. Finish-out work continues and opening will be announced as completion certainty is clear.

**Executive Session**

The Board adjourned to Executive Session at 9:20 AM for deliberation of real property issues. The Board returned from Executive Session at 9:40 AM

**Briefing and Possible Action on Amendment to the Northwest Zone P3 Sublease Agreement – Director of Real Estate**

Mr. Gonzalez provided an overview of the Fifth Amendment to the Northwest Zone P3 Sublease Agreement and highlighted the following:

- Extends deadline for obtaining final approval over hotel design from City and Conservation Society from December 31, 2017 until January 30, 2018.
- Provides for minor adjustments to premises description for South Alamo Tract.
- Provides for HPARC cooperation with Developer replatting of Premises.
- Provides for separate timelines and plan approval processes for South Alamo Project and Market Street Project.
- Market Street Project timeline to be extended as follows
  - March 1, 2019: Construction Commencement
  - March 1, 2022: Substantial Completion

Staff recommendation:

WHEREAS, ZH Downtown Development Company, LLC (“Developer”) proposed to HPARC the terms of the Fifth Amendment to Development Sublease attached hereto as Exhibit “A” (the “Fifth Amendment”);

WHEREAS, a certain December 18, 2017 deadline under the Development Sublease required that the Fifth Amendment be executed prior to December 18, 2017;

WHEREAS, the Board was unable to summon a quorum for a meeting prior to the December 18, 2017 deadline but the HPARC Executive Committee was able to meet and review the terms of the Fifth Amendment;

WHEREAS, the HPARC Chief Executive Officer executed the Fifth Amendment acting pursuant to authority granted to him under a certain resolution adopted by the Board on August 11, 2017 and following consultation with the HPARC Executive Committee;

WHEREAS, the Board has reviewed the terms of the Fifth Amendment and deems it in the best interest of HPARC to approve and ratify the Fifth Amendment;

NOW, THEREFORE, BE IT RESOLVED, that



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The Board hereby approves and ratifies the attached Fifth Amendment.

Ms. Lee offered a motion to accept staff recommendation and Mr. Landa provided a second. There being no further discussion, Mr. Shown asked for a voice vote and the motion passed unanimously.

Staff Recommendation for future Amendments:

WHEREAS, HPARC has entered into a Development Sublease Agreement with ZH Downtown Development Company, LLC (the "Development Sublease");

WHEREAS, amendments to the Development Sublease are required from time-to-time;

WHEREAS, the Board deems it desirable to authorize the Chief Executive Officer of HPARC to execute, on behalf of HPARC, certain amendment to the Development Sublease subject to the prior approval of the Executive Committee of the Board (the "Executive Committee");

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes the Chief Executive Officer of HPARC to execute, on behalf of HPARC, any amendment to the Development Sublease that has been approved by the Executive Committee of the Board and that does not (a) reduce the rental amounts paid under the Development Sublease, (b) alter the overall term of the Development Sublease, or (c) increase any of HPARC's financial obligations under the Development Sublease.

Mr. Elmendorf offered a motion to accept staff recommendation and Ms. DeAnda provided a second. There being no further discussion, Mr. Shown asked for a voice vote and the motion passed unanimously.

**Board Member Comments**

Mr. Shown asked that all Board members review their calendars to see if March 2<sup>nd</sup> is a good day to hold a retreat. He noted that all day is a large but important time commitment.

**Adjournment**

There being no further business, Mr. Shown adjourned the meeting at 9:59 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).