

Hemisfair Park Area Redevelopment Corporation
Board of Directors Monthly Meeting
Overland Partners
San Antonio, TX
October 10, 2014
8:00 a.m. – 10 a.m.

Board Attendance: Madison Smith, Sue Ann Pemberton, Paul Foster, Dirk Elmendorf, Ashley Hixon, Alan Schoenbaum, Bill Shown, Dan Lopez

HPARC Staff Attendance: Andres Andujar, Omar Gonzalez, Anne Krause, Shannon Perry, Drew Hicks, Gary Boyd, Rachel Holland

Additional Attendance: Linda Deatrick (Greener Cities), Steve Golden (Golden Steves), Aaron Parks (ITC), Mike Sawaya (Convention and Sports Facilities), Richard Rosen (Magik Theatre), Frank Villani (Magik Theatre), Jennifer Boland (Tower of the Americas)

A. Call to Order

HPARC Chair Madison Smith officially called the meeting to order at 8:07am.

B. Approval of the August 8, 2014 Meeting Notes

Board member Rod Radle suggested a change to the August 8, 2014 meeting minutes that Rachel Holland gave the updates for the Art, Civic, and Cultural Committee instead of him. HPARC Board Member Paul Foster made a motion to approve the minutes with the suggested correction, and Board Member Bill Shown seconded the motion. The motion passed unanimously.

C. Citizens to be Heard

Richard Rosen, Executive Director of the Magik Theatre, explained that the new access road from E. Nueva to the Magik Theatre parking lot is working well. Rosen also introduced the new General Manager of the Magik Theatre, Frank Villani, who will eventually take over as Executive Director. This will allow Rosen to act as a Creative Director and assist with the theatre's capital fundraising campaign. Frank Villani has over 30 years in symphony and performance art background, and used to be a practicing attorney.

D. Chief Executive Officer Report

HPARC CEO Andres Andujar reported on the following activities after thanking Overland Partners for agreeing to host today's meeting in their conference room:

- Andujar introduced new hires Drew Hicks, HPARC Communications Manager and Shannon Perry, Development and Communications Manager for the Hemisfair Conservancy
- Next week HPARC will be interviewing for a new Real Estate Development Manager position; additionally HPARC will be posting an Office Administrator position to replace Rachel Holland who is leaving HPARC to attend graduate school at the end of December
- City Council approved \$1.426 million for HPARC operations from the City General Fund for FY15, plus \$410,000 in Parks & Recreation mandates for Yanaguana Garden maintenance and operations
- The Hemisfair Conservancy continues to cultivate donors within the community; formal donations will not be solicited until Council approves donor recognition strategy, expected at end of October
- The Hemisfair Conservancy also enacted an Advisory Board made up of Lila Cockrell, Rosemary Kowalski, and Patsy Steves
- HPARC is working on a Code of Conduct for staff and Board members to make sure there are no conflicts of interest between development opportunities and Board members

- HPARC issued an RFQ for first P3 development opportunity on Water Street at the edge of Yanaguana Garden. RFQ responses are due on October 13. From these responses, a formal RFP will be issued to a shortlist and a partner is expected to be selected in early January
- HPARC is preparing to release a Request For Interest (RFI) for prospective tenants to lease the three historic homes within Yanaguana Garden
- HDRC approved design of the pergola in Yanaguana Garden, which will shade the promenade from Cesar Chavez Blvd. to E. Nueva Street. The pergola was designed in-kind by Overland Partners and will be a beautiful architectural piece within the new park. Andres thanked Overland Partners for the firm's donation of time and resources.
- HPARC continues to host GGN work sessions to design the civic park
- A civic park survey was released to the public and received about 700 responses; over 90% of respondents approved the civic park design and recognized its importance to downtown San Antonio
- An external audit of FY2014 is about to commence with Brits & Associates
- Staff is working with Arts/Civic/Culture and Communications Committees to develop a programming strategy for the opening of Yanaguana Garden that includes a venue rental guide
- Staff and Board members continue their outreach effort to community groups
- Coordination continues with all City leadership, City departments, local agencies, neighboring property owners, Board, staff, Convention Center expansion team, art organizations, and interested stakeholders

Before moving to the next item, Board Chair Madison Smith recognized Board member Ashley Hixon and announced her departure from the Board after today's Board Meeting. He thanked her for her service, wisdom, hard work and energy. He then presented her with a formal certificate of appreciation that was read out loud by HPARC Executive Assistant Rachel Holland.

E. Briefing and Possible Action on Hemisfair Mixed-Income Residential Policy

HPARC Director of Planning, Operations, and Development Omar Gonzalez explained the purpose of the Mixed-Income Residential Policy is to create housing opportunities at Hemisfair for a diverse population and mix of incomes in a sustainable way. He explained that an independent consultant was hired to analyze how residential projects would be financially feasible for developers. HPARC staff had also interviewed many developers and researched similar projects. Board member Rod Radle and Dan Lopez were instrumental in defining "workforce housing" and what would be appropriate at Hemisfair. The policy highlights are:

1. There will be a 10% minimum of units per project that will be "workforce housing" for households earning 50% to 110% of Bexar County AMI
2. There will be a 50% maximum of workforce housing per project
3. HPARC encourages variety of units for range of affordability such as studios and micro-apartments

Board member Rod Radle then explained the salary breakdowns required to qualify for subsidized rents. The policy relies on 10% of the expected 1,800 units at Hemisfair to be affordable. Additionally, developers may deliver more than 10% workforce units, but that is the minimum. The workforce housing units will be dispersed throughout each development, not concentrated in one area.

Board member Alan Schoenbaum asked how the policy was received by developers. Rod Radle explained that it was well received by developers as something that is financially workable. Both Radle and Board Member Dan Lopez felt very confident with the final policy after significant due diligence.

The balance is necessary to provide opportunities for everyone at Hemisfair. This will be the first district-wide Mixed-Income Residential Policy within San Antonio and is consistent with Hemisfair's goals to be a sustainable district with irresistible public spaces. The Board explained that Hemisfair is in a position to be a model for

mixed-income sustainable living environments nationwide. The policy has been shared with the District 1 Councilman and the Mayor's office.

HPARC staff recommended Board approval of the Hemisfair Mixed-Income Residential Policy. Board Member Rod Radle motioned to approve the Mixed-Income Residential Policy, and Board Member Alan Schoenbaum seconded. All were in favor and the motion carried.

F. Briefing and Possible Action on Wayfinding and Signage Contract

Gary Boyd, HPARC Senior Project Manager explained that staff will soon hire a consultant to create a master plan for wayfinding, signage, and donor recognition signage standards throughout the Hemisfair district. A Request for Proposals (RFP) was issued and fifteen (15) nationwide firms submitted. Three firms were shortlisted: Dyal & Partners from Austin, Selbert Perkins Design from Chicago, and CG Partners from New York.

The selection committee will be interviewing all three firms next week. HPARC staff Gary Boyd and Drew Hicks will be jointly managing this contract. Board Member Bill Shown added the impact of this signage throughout the district on the Hemisfair brand. The money for the contract will be coming from 2007 Bond savings that was allocated for master planning activities.

Dan Lopez asked if there will be a technology component to the wayfinding. All of the firms included technological components in their proposals but the level of integration into their scope is to be defined.

HPARC staff does not have a contract for the Board to approve today, but is asking for Board approval for the CEO to negotiate and enter into the final contract with one of the three selected firms in an amount not to exceed \$150,000. Board member Bill Shown moved to authorize the CEO to negotiate and enter into a final contract in an amount not to exceed \$150,000, Board member Ashley Hixon seconded, and all were in favor. The motion passed.

G. Briefing and Possible Action on Working Agreement between HPARC and Hemisfair Conservancy

HPARC CEO Andres Andujar explained the need to define the relationship between the two separate organizations of HPARC and the Hemisfair Conservancy. The highlights of the Working Agreement between the organizations are:

- The allocation of the Hemisfair Conservancy revenues to Hemisfair
 - Grants and distributions to be scheduled
 - External audits of the organizations to be shared
 - Conservancy cannot accept gifts that impact design of Hemisfair without HPARC Board approval
- Sharing of Resources
 - The Conservancy shares the same personnel policies as HPARC
 - HPARC provides Conservancy with office space, utilities, equipment, and supplies
 - HPARC reserves the right to reduce support, if necessary
- Coordination to include participation as "Observer" on each other's Board of Directors. For example, Executive Director of the Conservancy would be included in HPARC Board Meetings to give reports, and HPARC CEO would be included in Conservancy Board Meetings to give reports.

The HPARC Board then discussed the possibility of having only a representative of each organization present at the other's meetings. Board member Dan Lopez expressed interest in having a dedicated Board member on each the HPARC and Conservancy Boards to be present at each other's meetings. Board member Bill Shown recommended that both Boards maintain independence of each other, not defining whether or not a Board

Member needs to be at each other's meetings. The HPARC General Council advised against having interlocking Boards when moving forward and the majority of the Board agreed.

HPARC staff recommended Board approval of CEO authority to execute a working agreement between HPARC and the Hemisfair Conservancy. Alan Schoenbaum motioned to approve, Ashley Hixon seconded the motion, and all were in favor. The motion passed unanimously.

H. Briefing on Communications Updates

Drew Hicks, HPARC Communications Manager, briefed the Board on the new Hemisfair elevator pitch, which is the shortest version of the key talking points all staff and Board members should memorize before talking to others about the project. The elevator pitch:

- Uses original identity framework language to be “a vibrant, inviting, and authentic urban district”
- Avoids aspirational statements that HPARC cannot substantiate
- Is short and conversational
- Was reviewed by Executive Committee and Communications Committee Chair

The Elevator Pitch is:

Hemisfair is an urban district with residences, local businesses and multiple parks. Hemisfair is becoming sustainable, self-funded, and filled with events authentic to San Antonio. Hemisfair will be our vibrant gathering place for everything from a day with friends to the city's biggest celebrations.

Hicks explained that the brevity of the pitch is designed to draw interesting questions from it. This paragraph is the starting point for people to identify which area of interest they would like to hear more about. Eventually all of the Board and stakeholders will be repeating the same phrases to describe Hemisfair. The Board unanimously liked the Elevator Pitch.

Hicks also announced to the Board that he will be soliciting stories from each of the Board members to post onto the website and possibly submit to the local newspaper. The topics will be unique to each Board member's interest and excitement about Hemisfair. Hicks will then help write the stories for Board members.

I. Briefing on Graphic Build-out Schedule

Andujar briefly went through a graphic representation of the phasing of construction throughout the district, by 6-month periods. Each phase shows where construction, staging, parking, and completed projects are during each semester period until the year 2020.

J. Committee Updates and Next Steps

- **Executive Committee** – Board Chair Madison Smith reported that the Master Lease and Management Agreement with the City will go before City Council for approval on Oct. 30th. In the meantime, HPARC is socializing the agreements with individual Council members.

The Board also discussed a potential Board Retreat after the New Year to rethink the structure of the committees and the strategic initiatives.

- **Communications Committee**

Communications Chair Dirk Elmendorf updated the Board that the Hemisfair logo is being refreshed for simplification so that it can translate across different mediums, not only in color print.

- **Art, Civic and Cultural Committee**

Art, Civic, and Cultural Committee Chair Rod Radle reported that the committee has been working on activation initiatives in conjunction with Communications Committee. Radle discussed that staff is researching how the venue sites will be able to be rented, and how other organizations will be partnered with to produce activations in Yanaguana Garden. The committee also explained how programming is a type of activation, in the form of planned events. Activation is activating an area with anything from an event to patio seating outside.

- **Finance Committee**

Finance Committee Chair Daniel Lopez reported that an investment subcommittee meeting was held the previous evening to reposition HPARC's current cash on hand.

- **Historic Committee**

Historic Committee Chair Sue Ann Pemberton reported that a construction contract with JC Stoddard was approved by City Council for exterior rehabilitation and stabilization of ten historic homes in Yanaguana Garden.

Additionally, Pemberton announced that there is a historic tax credit workshop hosted by the Conservation Society that may be a great opportunity for HPARC staff to learn about tax credits in historic building rehabilitations.

- **Planning and Development Committee**

Planning & Development Committee Chair Bill Shown reported that Yanaguana Garden is under construction. Phase 1 and 2 will now be completed at the same time to receive the best wholesale pricing for construction, pending a funds transfer. Shown praised staff for extremely professional and high quality RFP's that attract high quality partners. Construction of Water Street & E. Nueva streets will begin in December or January, and staff is holding a tenant meeting to explain construction and street closures on Oct. 30.

K. Board Member Comments

Rod Radle is excited about the positive media coverage Hemisfair has been receiving.

Madison Smith again thanked Ashley Hixon for her service.

L. Executive Session

No executive session was held.

M. Adjournment

HPARC Chair Madison Smith adjourned the meeting at 10:10 AM.