

**HemisFair Pak Area Redevelopment Corporation
Board Of Directors Monthly Meeting
Henry B. Gonzalez Convention Center
Conference Room 1
September 9, 2009
12:00 noon**

Board Attendance: Andres Andujar, Gini Garcia, Xavier Gonzalez, Debra Guerrero, Art Hall, Daniel Lopez, Sue Ann Pemberton, Lisa Schmidt, Bill Shown, Madison Smith, and David Zachry.

COSA Attendance: Patrick Howard, Shanon Wasielewski, Paula Stallcup, Alastair Olive, Stephen Whitworth, Veronica Zertuche, Lori Houston, Pat DiGiovanni, and Council Member Mary Alice Cisneros.

Additional Attendance: Paul Martin (Winstead PC), Dan Martinez (Winstead PC), Richard Rosen (Magik Theatre), and Sonia Jimenez (Ximenes & Associates).

A. Call to Order

Madison Smith, Chair called the meeting to order announcing this is the first every meeting of the HemisFair Park Area Redevelopment Corporation (HPARC.) He extended his gratitude to COSA City Council Member Mary Alice Cisneros and turned the meeting over to her for opening remarks.

B. Opening Remarks

Council Member Cisneros thanked the first official board of the HPARC for this wonderful new start in the redevelopment of the area. She is excited at the prospect of this board defining and implementing a vision that will help this green space reach its potential. Mrs. Cisneros is pleased that the Board is made of a diverse group of architects, planners, artists, and others. She reminded the Board of the extreme significance of the 90+ acres of green space that makes up the HemisFair Park area and its history. Mrs. Cisneros encouraged the Board to consider these guiding principles as they move forward in developing the vision HemisFair.

- HemisFair should be a link to the downtown business district and nearby residents.
- This Board should work to address accessibility issues for pedestrians as well as vehicles to make it easier to get to and more inviting.
- Historic buildings should be protected.
- There should be a balance of green space and buildings.
- There should be serious consideration for economic and environmental quality.
- The vision should celebrate the diverse cultures of this city and provide a forum.

Mrs. Cisneros closed by stating that she is eager to work with the Board and deal with the details required to have a wonderful product to present back to the council.

Mr. Smith thanked Mrs. Cisneros once again for her time and the complete introduction of the task ahead. Mr. Smith went on to say this Board is charged with building on a vision that began in 1958 and came to fruition in 1968 and since then numerous visions were created. The Task Force (Ad Hoc Committee) that was formed last spring recommended the creation of this local government corporation (LGC) and is now formed with the support of Mayor Julian Castro and the entire City Council. Mr. Smith pointed out that some of the members of the Ad Hoc Committee are now part of this Board and collectively, the Board has a lot of knowledge.

Mr. Smith stated that he had the pleasure of meeting with every board member to get an idea of where everyone is coming from. During those meetings, the consistency and cohesiveness of dedication and outlook of how to proceed from all the members struck him. He thanked the City staff for getting all the material together for this Board to meet and proceed. Mr. Smith expects Board members to be dedicated with a willingness to speak his/her mind and demonstrate mutual respect in order to building trust and be able to bring forward all ideas – good and bad. In the mist of the hard work, this task needs to be enjoyable so that the Board can finish the race (a marathon not a sprint) together. Together the Board will figure out the race route and begin with getting oriented. With that, Mr. Smith introduced the Board members as well as supporting City staff. He noted that Pat DiGiovanni, Deputy City Manager is the Executive Director of the Corporation and Lori Houston, Special Projects Manager will act as the liaison between the City and this Board. He concluded by thanking everyone for being willing to serve and looks forward to getting to know everyone over the coming years. Mr. Smith then went on to first order of business, nominations and appointment of officers.

C. Nominations and Appointment of Officers

Mr. Smith informed the Board that nominations and appointments need to be made for the corporation's president, vice-president, treasurer, and secretary. He opened the discussion up for nominations for the position of president. David Zachry nominated Madison Smith and Gini Garcia seconded the nomination. The nomination was accepted with all in favor and none opposed. Andres Andujar nominated Bill Shown for vice-president and Art Hall seconded it. The nomination was accepted with all in favor and none opposed. For secretary, Gini Garcia nominated Andres Andujar and Art Hall seconded it. The nomination was accepted with all in favor and none opposed.

With regard to treasurer, there was some discussion of the role of treasurer and how corporate funds need to be managed. Mr. DiGiovanni suggested that the COSA Finance Department act as treasurer until this Board is more comfortable with its role. He stated that the existing HemisFair Park generates about \$500,000 in revenues and has about \$450,000 in expenses. Mr. Zachry inquired if all these funds are allocated to this Corporation. Mr. DiGiovanni indicated the Board should consider this issue. He suggested the Board had three options: elect a treasurer outright, elect with City staff support, or have City staff act as treasurer. The Board decided to elect a treasurer with City staff support. Mr. Smith asked for nominations. It was suggested that the member who fills this position have public finance understanding. Gini Garcia nominated Art Hall and Andres Andujar seconded it. The nomination was accepted with all in favor and none opposed.

Mr. Smith thanked the members who have agreed to act as officers. He concluded this portion of the meeting by stating that these positions will be elected on an annual basis.

D. Presentation by Pat DiGiovanni, Deputy City Manager, on HemisFair Ad Hoc Committee Background and Recommendations

Mr. DiGiovanni opened by saying it is important to state that downtown and downtown development has been a priority for the new mayor as well as the previous mayor. The City has formed a new partnership working with the Downtown Alliance and Centro San Antonio. This partnership will bring a lot of emphasis to the revitalization of the downtown area. HemisFair has great possibilities.

The Ad Hoc Committee was formed under the previous administration and consisted of some of the former task force members. The committee worked hard over the past year and met eight times. They were charged with providing recommendations that would serve as a catalyst for redevelopment of not only HemisFair Park but the immediate surrounding areas as well. Two primary recommendations led to the establishment of the Corporation and the need to update the outdated 2004 Master Plan. Initially, the committee was charged with looking at the need for hiring a master developer to implement the 2004 Master Plan. As they began to evaluate the existing master plan and taking into consideration the current real estate market, they decided to explore further what the City has in place already and suggested discussions begin with the federal General Services Administration (GSA) in hopes of finalizing the property swap. (The property swap involves the federal government swapping the existing property where the James Wood Courthouse is located in HemisFair Park for the City of San Antonio property that currently houses the police department headquarters.) Mr. DiGiovanni expressed hope that this property swap will be finalized in October or at the latest at the end of this year.

The committee's vision includes preserving the historic buildings, reconnecting with neighboring communities and properties, specifically LaVaca, King William, downtown in general, and the convention center, and making HemisFair more inviting to tourists. The committee's seven guiding principles include:

1. Connectivity;
2. Mixed-income housing;
3. Green space preservation;
4. Balanced expansion with redevelopment;
5. Protection of historic buildings with a strategy to remove temporary buildings;
6. Sustainability (as part of the Mission Verde commitment); and
7. Dedicated civic leadership to see product through to completion.

The Corporation has very specific roles and responsibilities as a public body and must meet in open session but will have opportunities to meet in executive closed sessions. The Corporation has the ability to purchase property, hire staff, incur liabilities and enter contracts, issue debt and borrow money.

Mr. DiGiovanni is very excited to work with the Board and this is a great opportunity for the City. He finished by stating the mix of some previous Ad Hoc Committee members with new members to form this Board will be good for continuity the project moves forward.

E. Board of Directors Orientation

Lori Houston began the orientation by introducing Paula Stallcup, Director of Downtown Operations and explained that her department maintains and manages the leases for the current HemisFair Park tenants. Ms. Houston then introduced Shannon Wasielewski with the COSA Office of Historic Preservation, Alastair Olive with the COSA Economic Development Department, Stephen Whitworth and Veronica Zertuche with the COSA Legal Department. She went on to introduce Paul Martin and Dan Martinez with the law office of Winstead PC. Mr. Martinez then provided a briefing on the Articles of Incorporation and the Corporate By-laws.

Mr. Martinez opened stating this a monumental task and appreciates the efforts of this Board for this marquee project. The Corporation was created under the transportation code. Specifically, the Articles of Incorporation outline the corporation's name, its non-profit status, and most importantly its purpose. The purpose, designed and created by the COSA, mirrors what was created and articulated in the by-laws. Basic provisions state powers and this corporation's main power is act on behalf of the City for HemisFair. With regard to finance issues, this Board will make recommendations for City Council's consideration and approval. The Board of Directors was established by a resolution of the City Council. The Board can amend bylaws

with the approval of the City and then submit them to the Secretary of State for formal amendment.

The issues of corporate liability and indemnification will be covered in depth during the next meeting. Basically, the corporation can be granted indemnification and this provision has been included in the Articles of Incorporation and the Bylaws. These corporate papers also outline the method for corporate dissolution. The corporate Bylaws and associated recitals mirror the City Resolution and the Ad Hoc Committee's Guiding Principles. The Bylaws dictate board action. The Corporation can seek and is fully authorized to get assistance from city staff. Bylaws also dictate how meetings are conducted. All meetings must abide by the Open Meetings Act standards. Legal and contractual issues can be considered in an executive (closed) session.

Mr. Martinez went on to explain this is general overview and the actual Article of Incorporation and the Bylaws contain more operating provisions. There is no compensation paid to the Board. Each board member has a defined term for serving. Once the term is up, the board member can be reappointed to serve or replaced. A quorum is needed at the meetings in order for the Board to take action. This Board will require at six members to be present for a quorum and a majority for action to pass. The Treasurer and Secretary do not have to be members of the board. The Board may rely on consultant information for decision-making. Another key item is insurance coverage and this will be covered at the next meeting.

In terms of fiscal operations, the Bylaws provide guidance. The Board is allowed to issue bonds and other debt to undertake projects. The Corporation's fiscal year is the same as the City – October 1 to September 30 and the Code of Ethics is the same as the City.

Returning to the subject of the Open Meetings Act, the Board was instructed that if any meetings occur outside of the regularly scheduled Board meetings, then committees smaller than a quorum may be formed but their proceedings are still subject to the Open Records Act even if they are not subject to the notice requirements of the Open Meetings Act. Mr. Smith inquired about group communications and how to accomplish them based on the Open Meetings Act. The group may communicate in groups of less than six but no action can be taken as a group. Information sharing is not subject to the Open Meetings Act. However, all communications regardless of the content and number of Board members involved are subject to the Open Records Act. The Board members were told that a good rule of thumb would be to ask, "Would we be comfortable if this information is published?" before any communications are made.

Considerations and information sharing are acceptable via e-mail but no

votes or actions can be taken using e-mail. Such e-mails should not invite dialogue but simply include a short message as to the purpose for consideration. Mr. Andujar inquired about personal or company e-mail servers being subject to an Open Records request. These servers are not entirely open for such requests but they are not entirely closed either. More specifics will be given at the next meeting. Mr. Smith stated that the Board would figure out a way to communicate effectively through the City's experience and direction. Mr. DiGiovanni stressed the importance of a transparent process and understanding the parameters in order to work effectively. Ideally, the Board will minimize e-mail banter and conduct the majority of business at meetings. Mr. Hall suggested all information and communications be sent to Ms. Houston or Mr. DiGiovanni for further dissemination to the entire Board. Responses to information sent to the entire board should not be sent to everyone but only the sender of the information to avoid any perception of Board action.

Ms. Garcia inquired about voting on agenda items and the ability to vote by proxy or e-mail. It is not permitted to vote by proxy or e-mail. Board members must be physically present at the meeting in order to participate in a vote and cannot act by unanimous consent. The Open Meetings Act dictates and special meetings can be called with at least 24-hour public notice. For regularly called meetings, 72-hour public notice must be observed. For tax purposes, the Corporation is not subject to Federal Income Tax reporting.

The Board then delved into a discussion about the reference materials provided. Specifically, the map provided showing the Park and surrounding areas. The question was posed if the lines on the map are the project boundaries. The reply was no. The project boundaries have not been determined on purpose so that the Corporation could have some flexibility in planning. Mr. Andujar, a former committee member, provided some insight as to how this decision was reached on the boundaries. A difficult compromise was reached between the various interests of the committee members so the main 15 acres were locked in allowing for flexibility on the edges. Mr. Hall asked why the 2004 Master Plan was not considered a viable document. Xavier Gonzalez, another hold over from the committee, commented that the Master Plan was viewed as a good point of departure but not necessarily a Master Plan in the true sense of the definition. The Master Plan could not simply be handed over to a master developer in its current format. David Zachry noted that the timeline was pushed out to 2015 for the federal properties to be released. He thinks this Board may need to re-think the strategy for pursuing these properties. In terms of dedicated parkland vs. non-dedicated parkland, dedicated parkland has rules associated with dealings (i.e. it can be leased but not sold) and if it is used as a park, then it can be treated as a park. The definition of park is not the typical perception of a park. It is defined as a public use area that is not necessarily used as a park or green space. Mr. DiGiovanni pointed out that there is very little unencumbered property on the map.

Mr. Smith noted that these items are all critical pieces to understand in terms of historic buildings, parkland, and many other small but crucial components for understanding the scope of the Corporation and the Board. Mr. Zachry inquired about the Guiding Principles and why some are specific to HemisFair Park and some are more generic in nature. Mr. Andujar responded that this was done on purpose because discussions went beyond the usual boundaries and when we talk about HemisFair Park, we want to be able to have influence beyond the physical boundaries of the actual property.

F. New Business

Mr. Smith informed the Board that a draft schedule for activities for the next couple of years will be distributed in the near future for the Board's consideration and discussion. Additionally, meeting dates for future meetings will be distributed.

Sue Ann Pemberton mentioned that while taking a tour of the Park, she realized many of the buildings could benefit from a condition assessment. Furthermore, she is currently teaching a preservation course and it could be a great opportunity to use students to conduct condition assessments. She also mentioned that Bill DuPont contacted her and he is teaching a graduate studio and looking for a design project. She would like to know what information she can share with him to this end as it related to HemisFair. Ms. Houston volunteered Downtown Operations and other City staff for assistance with these two requests.

Mr. Andujar was pleased with the idea of having the students access the buildings and suggested the action be taken at the next meeting. However, there are some concerns about the graduate studio request. The concern was expressed that whatever was developed by the graduate students may be perceived as what is actually going to be done. Ms. Pemberton replied that the graduate studio is not equipped to develop a master plan. Mr. Smith suggested that Ms. Pemberton get more details from Mr. DuPont and then coordinate with Ms. Houston for further consideration of the graduate studio undertaking.

Daniel Lopez then turned the discussion to the Board Officers terms. He would like to see a longer commitment than a one-year term. Ms. Houston noted that any changes to the Bylaws, which dictate the officer's terms, would have to be approved by City Council.

Mr. Smith suggested that Board members send additional comments about the Bylaws and/or Articles of Incorporations directly to Ms. Houston for consideration and necessary action at the next meeting. Mr. Shown asked what other items have to be specifically approved by City Council. Ms. Houston replied outside of the Bylaws, the Board is expected to provide an annual briefing of the Board's activity to the City Council as a courtesy. Mr.

Martinez added that the City has the right to access the Corporation's assets. Ms. Houston suggested that some of these issues might be addressed through the use of a memorandum of understanding between the Corporation and the City. Mr. Smith stated that two important features need to be considered – the property and its boundaries as well as the Corporation. He recommends doing the work now to ensure the Bylaws reflect the Board's desires and getting them approved by City Council. Mr. Shown volunteered to draft some language for the Board's consideration. Ms. Houston will work with Mr. Martinez and Mr. Shown on this item.

Mr. Smith also suggested to Board members that there are a number of organizations that would like to be promoted. He asked that everyone send those to Ms. Houston so she can create a list of these proposals. Mr. Smith would like to get a master list started so the Board can manage and attend to this issue and it not become a distraction. Ms. Garcia recommended using the website for these types of suggestions and concerns to allow for information exchange. The website address is hemisfairpark.com.

Ms. Houston asked that all Board members confirm their contact information listed on the registration sheet. She also informed them that the agenda for future meetings would be sent out the Friday before the meeting. Board members have been provided with binders that contain all current Corporation documents and future handouts will be provided as 3-hole punched papers. All meeting materials and a public input section is on the website. She concluded by saying that any other suggestions are welcome to ensure transparency of the Corporation and the Board.

A question was asked about a notice that was received by Board members informing them about a mandatory COSA Municipal Ethics course. The 4-hour course is required every year for the Board members to remain in good standing. Ms. Houston will see about making arrangements to have this course be completed as part of the Board meeting activities.

G. Citizens to be Heard

None.

H. Next Meeting

Ms. Houston will be meeting with Mr. Smith and Mr. Shown to develop the next meeting agenda. Any suggestions for agenda items need to be sent to Ms. Houston via e-mail with a courtesy copy to Mr. Smith and Mr. Shown. Based on this meeting, the following items, at the least, will be considered at the next meeting:

- Development of working committees
- Additional information on the Bylaws
 - Liability and Indemnification

- Information requests
- Communication protocol
- Mandated Ethics course
- Consideration and Action on Building Preservation Assessment by Sue Ann Pemberton's students
- Future Meetings and Associated Activity Schedule

The next meeting date has not been set. It may be on a Friday morning. Board members should contact Ms. Houston as soon as possible if specific days are preferred or do not work.

I. Adjournment