

**HemisFair Pak Area Redevelopment Corporation
Board Of Directors Monthly Meeting
Henry B. Gonzalez Convention Center
Executive Assembly Conference Center
October 8, 2010
8 a.m. – 10 .am.**

Board Attendance: Xavier Gonzalez, Art Hall, Daniel Lopez, Bill Shown, Madison Smith and David Zachry.

COSA Attendance: Pat DiGiovanni, Lori Houston, Paula Stallcup, Ronnie Price, and Shanon Wasielewski.

Additional Attendance: Jennifer Woods (The Woods Group), Sally Peacock (San Antonio Area Foundation), Reggie Williams (San Antonio Area Foundation), Rosemary Kowalski (Hispanic Heritage Center of Texas), Zac Harris (AGL/Joeris GL), Rebecca Cedillo (District 1 consultant), Richard Rosen (Magik Theatre), Bob Wise (AIA San Antonio), Sidney Swearingen (Drenner & Golden), and Sonia Jimenez (Ximenes & Associates.)

A. Call to Order

Madison Smith, HPARC President, called the meeting to order at approximately 8:17 a.m.

B. Approval of September 28, 2010 Meeting Notes

Mr. Smith asked if the board members had an opportunity to review the notes. Xavier Gonzalez suggested including more information about the public engagement discussion that occurred during the *Briefing and action authorizing a consultant agreement with Johnson Fain, Inc. for the HemisFair Area Master Plan* agenda item. There were no other suggestions. Art Hall made a motion to approve with suggested changes. Bill Shown seconded the motion and it passed with all in favor and none opposed.

C. Director's Report

Pat DiGiovanni, Interim HPARC Executive Director reminded the board about the October 13th joint meeting with the San Antonio Convention and Visitors Commission to review the Populus Convention Center expansion feasibility, facility assessment, and upgrade plan. Johnson Fain, the master plan consultant has already initiated discussions with the Populus consultant group. HPARC will do a presentation at the B Session, on the same day, at 2 p.m. to present the methodology for selecting Johnson Fain and provide information about moving forward over the next six months. A reception with Johnson Fain and the City Council will be held following the B Session. Mr. DiGiovanni concluded by stating the general public will have opportunities to meet the consultant.

D. Committee Updates and Next Steps

1. Executive Committee – Mr. Smith deferred to the other committee chairs. His update will be addressed under agenda item F related to the executive search process.
2. Communications Committee – Debra Guerrero was unable to attend so Lori Houston reported that the Communications Committee will meet with the Executive Committee and Johnson Fain to discuss next steps. Specifically, how to get information to stakeholders about the master plan process and scoping for a public relations consultant. It was suggested the public relations consultant get hired as quickly as possible in order to be involved with the master planning effort.
3. Cultural and Civic Committee – Xavier Gonzalez reported the committee is continuing their efforts to reach out and keep tabs on other cultural and civic organizations in HemisFair as well as those who have been identified as stakeholders.
4. Finance Committee – Art Hall reported his committee will be meeting with Johnson Fain during their visit next week. Additionally, his committee recommends HPARC using the San Antonio Area Foundation as the funds manager (see presentation below under agenda item E). Mr. Hall will prepare the process documentation to use the Foundation and bring it to the board next month for review and approval. He requested board members send their concerns or objections directly to him.
5. Historic Committee – Sue Ann Pemberton was unable to attend and Mr. Smith reported that her assessment is continuing and she will be meeting with Johnson Fain and Bill DuPont next week.
6. Planning and Development Committee – Bill Shown reported the Johnson Fain contract is closed to being finalized with the hope it will be done by Tuesday. He reiterated the importance of each of the committee chairs meeting with the consultant team. David Zachry suggested each committee chair draft an agenda to guide the discussions for each of the 90-minute meetings. Mr. Smith asked Mr. Shown to ask Johnson Fain to draft an agenda with questions for each committee meeting and for Mr. Shown to distribute the agendas accordingly. Mr. Shown concluded by informing the board that Drennor & Golden has been retained to represent the HPARC board on corporate issues.

Xavier Gonzalez informed and reminded the board that the City Development Summit is on October 12th with the keynote speaker being David Rusk, a renowned urbanist and author.

E. Presentation regarding the creation and operation of an agency fund to be managed by the San Antonio Area Foundation

Reggie Williams, President and CEO of the San Antonio Area Foundation, presented information about the Foundation as well as its history. The Foundation was established

in 1964 and their mission is to help donors achieve charitable goals in the community. In this instance, HPARC would be a donor. The Foundation currently manages about \$200M and has distributed about \$10M to the community. There are 559 managed funds, \$15M in grants and scholarships and other various charitable funds. The Foundation handles all of the IRS forms and donor receipts using their 501(c)3 status in addition to all other financial compliance laws and regulations. Some of their current clients include the CPS Energy REAP program AQUA for SAWS, and the COSA Animal Shelter No Kill fund.

The Foundation can handle real estate gifts as well as stocks. The Foundation's real estate advisors will make a determination about accepting the real estate or and it can dispose of it with the proceeds going into the fund account. The account balance is available online 24/7 with restricted access. There is a one time entry fee of \$500, a .3% annual management fee, and an annual audit is included as part of the membership. They have investment experts who are prudent and conservative with an investment strategy of about 7% and spending is a little more than 4%. Their investment policy and managers are reviewed annually. The service provided to their donors is paramount. Mr. Williams concluded his presentation and opened up for discussion with the board.

The Foundation will allow for the creation of the HPARC Redevelopment Fund and the board can solicit contributions while the Foundation makes sure the process meets all regulatory requirements. Mr. Williams suggested the purpose statement, which is developed to guide the fund allocations, should be broad enough to allow for flexibility. Mr. Hall commented the HPARC Board has two choices: 1) create own fund or 2) utilize the Foundation's services and reputation. There is no need to create another 501(c)3 because the City of San Antonio qualifies to use the Foundation's non-profit status. In terms of what types of contributions can be accepted, Mr. Williams indicated money, art, stocks, and real estate have been accepted in the past. However, he strongly suggested having a buyer or a place in the event a contributor wanted to donate a piece of art or real estate. The Foundation will provide an appraisal and verify the value as well as guidance in making the determination of whether or not to accept the gift. Annual tax reporting is done by the Foundation. They also have the ability to manage a match-giving program. Mr. DiGiovanni asked how capital gifts would be treated versus an endowment. Mr. Williams indicated two separate accounts can be set up within the same agreement and HPARC will make the determination as to which account the contribution will be credited. The Foundation has a staff of 26 and a 10-member investment committee. There are seven different pools listed on the agreement that HPARC can choose from with varying risks. There are not any restrictions on the sources of gifts, unless HPARC wants restrictions included as part of their agreement with the Foundation. Mr. Williams clarified the Foundation's Real Estate Board, upon notice of a potential real estate gift, will review and recommend if the gift should be accepted. The Foundation acts as a fund manager and administrator and not a fundraiser. The actual fundraising will be the responsibility of HPARC.

F. Briefing regarding Executive Search Process

Mr. Smith announced that with the approval of funding from City Council and other funding sources, the corporation is now in a position to solicit and select a CEO/Executive Director as well as a Development Director. A solicitation document has been drafted and distributed to the board members and comments should be sent to Lori Houston. The solicitation will be finalized by October 13th and posted on various professional organizations (AIA, APA, etc.) The recommendation committee will include the HPARC Executive Committee, Board Members Dan Lopez, Lisa Schmidt, and Art Hall, and Mayor Castro's Chief of Staff Robbie Greenblum. The responses to the solicitation will be reduced to a short list for interviews. Mr. Smith would like to come to the board on December 15th with a recommendation for a January start date.

Dan Lopez asked about using a search firm and if any discussion occurred to this end. Mr. Smith replied that it was discussed but ultimately, the Executive Committee did not feel it was necessary or economical considering the solicitation will be posted on various professional websites. However, the committee will reconsider if there is not a good response to this approach. David Zachry suggested mentioning the solicitation during all communications with public to spread the net further. Xavier Gonzalez recommended putting a link on the City's web page. Mr. Smith acknowledged the short time frame for the selection and indicated the solicitation will reserve the right to extend the search if necessary to identify the ideal candidate. The solicitation will be modified to include verbiage to the effect of saying "open until filled" and state the first application draw down will be on November 8.

G. Citizens to be Heard

None.

H. Board Member Comments

Nothing additional to add.

I. Executive Session

The HPARC Board went into Executive Session at approximately 9:26 a.m. Please see supporting documentation.

J. Adjournment

Mr. Smith adjourned the meeting after Executive Session at approximately 10:16 a.m.