

**HemisFair Pak Area Redevelopment Corporation
Board Of Directors Monthly Meeting
Henry B. Gonzalez Convention Center
Executive Assembly Conference Center
April 15, 2011
8 a.m. – 10 .am.**

Board Attendance: Gini Garcia, Xavier Gonzalez, Debra Guerrero, Daniel Lopez, Sue Ann Pemberton, and Madison Smith.

COSA Attendance: Pat DiGiovanni and Lori Houston.

Additional Attendance: Jennifer Woods (The Woods Group), Linda Deatrich, Carolyn Kelley (candidate for District 1), Robin Tefft, Aaron Parks (UTSA-ITC), Bob Wise (AIA San Antonio), Zac Harris (LSA 36), Alex Arredondo (UNAM), Isabel Rico (Inst. Cult. Mexico), Mark Sullivan (Texpo 2020), Richard Rosen (Magik), Karl Baker (Drennet & Golden), Omar Gonzalez (HPARC Consultant) and Sonia Jimenez (Ximenes & Associates.)

A. Call to Order

Madison Smith, HPARC President, called the meeting to order at approximately 8:12 a.m.

B. Approval of March 11, 2011 Meeting Notes

Mr. Smith asked if the board members had an opportunity to review the notes. There were no suggested revisions. Sue Ann Pemberton made a motion to approve and Lisa Schmidt seconded the motion. The motion passed unanimously.

C. Director's Report

Andres Andujar, HPARC CEO, made his inaugural report to the Board of Directors. His main focus is getting the office space ready for move-in, exploring the creation of a HemisFair Park 501(c)(3) non-profit, and establishing corporate treasury policies for managing money as well as hiring an accounting firm. Additionally, there are several contracts currently being negotiated in relation to start up operations. With regard to the office space, the Eager House abatement will begin on April 25th with a possible expansion of the construction contract. In terms of treasury policies, they will be presented to the board for consideration and possible approval. No funds will actually be received until the policy is set. Mr. Andujar informed the board that the City has selected the HemisFair effort to receive the funds saved from the 2007 City Bond Program. This designation of money, \$47M, will mean a significant increase in activity. These funds may be used for Durango and Alamo Street improvements. Mr. Andujar also informed the board that the master plan framework, presented later during this meeting, will be presented to City Council on May 12, 2011. He concluded his report by introducing a real estate and planning consultant, Omar Gonzalez, who has been retained to assist him.

D. Committee Updates and Next Steps

1. Executive Committee

Mr. Smith deferred his update until Agenda Item E and F.

2. Communications Committee

Debra Guerrero reported her committee is working with the master planning consultants to come up with a rollout plan for the final product. They are also gearing up for the public meeting at the end of the month and continuing stakeholder outreach.

3. Cultural and Civic Committee

Xavier Gonzalez reported his committee is exploring the possibility of enhancing the programs for the entities that are already housed in the park as well as creating synergy with other interested institutions. He will continue to be proactive to foster an environment worthy of HemisFair's history. Mr. Gonzalez is coordinating with the City's Office of International Relations to capitalize on the China trip as well as the Hispanic Chamber's upcoming trip to Spain. He has met with the City's Office of Public Art and the Office of Cultural Affairs to begin conversations to take advantage of their resources. Mr. Gonzalez is also looking at people in the community who would be a good fit to augment the committee's efforts. He spoke with Lewis Traver (Carver Cultural Arts Center) and they are exploring the possibility of establishing a non-profit art foundation, similar to the River Foundation. Additional members may include Paula Owen (SW School of Art), Lance Aaron, Craig Taylor (SA Grand Prix), and a representative of the Hispanic Heritage Center.

4. Finance Committee

Dan Lopez reported his committee is working on the financial plan component to the master planning effort and investment strategies. Twelve viable sources for investment financing have been identified initially. The proposed procurement policy has been drafted and is currently being reviewed by Mr. Andujar. This policy must be in place in order to a RFP related to the 2007 bond savings funds. Ms. Guerrero asked if smaller contracts could be executed utilizing small minority, woman-owned, or DBE firms. Mr. Andujar agreed that small firms need to be included but all current contracts have a short end date and are only in place due to true emergency needs. Mr. Smith stated the procurement policy will be presented at the next meeting. Gini Garcia suggested the development of another financial policy for design enhancement or art and culture in order to build up a fund to ensure money for artistic landscape.

Mr. Andujar added that the existing funding agreement with the City may need to be revisited in light of the bond money being allotted. Lori Houston explained that the current agreement does not allow bond funding to pay for HPARC personnel expenses. City attorneys are looking at eliminating this provision in order to charge Mr. Andujar's time in support of the master plan for those bond eligible expenses. She further explained that an oversight fee for the public process is being explored so HPARC can get credit for this undertaking that would normally come under the purview of the City's CIMS Department. These two amendments to the funding agreement will be presented and considered during the May Board Meeting.

5. Historic Committee

Sue Ann Pemberton reported her committee is looking at the on-site historic structures and objects as well as trying to understand the differences between local and state historic designation. They have met with the San Antonio Conservation Society (SACS) Executive

Committee and presented preliminary costs to them and they are supportive. On April 27, 2011, Mrs. Pemberton will be presenting to the full SACS Board.

6. Planning and Development Committee

Bill Shown was unavailable for this meeting. Mr. Smith stated the majority of the work will be covered in the report from the master planning consultant team later in the meeting.

E. Nomination and Appointment of a Board Member for the Officer Position of Treasurer

Mr. Smith announced that the current Treasurer, Art Hall, would like to step down but remain as a member of the Finance Committee. Therefore, a replacement is needed. Debra Guerrero made a motion to nominate Daniel Lopez to serve as the HPARC Treasurer. Sue Ann Pemberton seconded the nomination. Mr. Smith asked if there were any other nominees and there were none. He then called for a vote. Daniel Lopez was unanimously selected to fill the position of Treasurer on the Executive Committee.

F. Presentation and possible action regarding grant of authority to Andres Andujar as Chief Executive Officer of Corporation to transact business, enter into contracts and manage the general affairs of the Corporation

Mr. Smith explained the need to transfer day-to-day authority to the new CEO, Mr. Andujar. This authority will allow Mr. Andujar to 1) transact business and enter into contracts to manage the general affairs of the corporation, and 2) authority to approve and execute, on behalf of the corporation, contracts valued at less than \$50,000 subject to the availability of funds for the underlying purposes of such contract. The treasury policies and procedures will be in place and this step is necessary to allow for daily operations of the corporation. Debra Guerrero made a motion to grant Mr. Andujar, as the HPARC CEO, authority as outlined. Gini Garcia seconded the motion. The motion passed with all in favor.

G. Briefing on the proposed amendments to the HPARC Articles of Incorporation and Bylaws

Mr. Andujar presented this item and explained that in order to be recognized by the IRS and issue donors letter to received tax deductions for their contributions, the Articles of Incorporation need to be amended to allow for the creation of a 501(c)(3). The current articles read as though the corporation is set up as a for-profit entity and this is not accurate. Mr. Andujar suggests the deletion of the statement, in Article IV, that reads, "*...in order to promote economic development, employment, and to stimulate business, housing, tourism, and commercial activity within the City*". This change will facilitate the articles as an attachment to the IRS request for non-profit status.

The other proposed amendment pertains to Article X, the sunset policy for board members. The existing article allows for each board member to serve either a two (2) or four (4) year term resulting in a turnover of at least five (5) board members every other year. Mr. Andujar proposes to amend the article to allow for a max of 3 members being transitioned every year. This change will be less disruptive to the overall operation with less turn over. However, this will result in some of the current board members extending their current terms by a year or two years. Mr. Smith added this is only a briefing today and any amendments to the Articles of Incorporation must be approved by City Council.

Mr. Smith also announced that David Zachry has resigned from the board. Mr. Zachry will be serving as Co-Chair for the Centro Partnership with the City. He will still be a stakeholder in the process since his company owns land adjacent to HemisFair Park. Therefore, there is a need to replace the “engineering and design” as well as the “downtown business” representation on the board. These two positions have not yet been advertised and when they are advertised, applications will be available on the City Clerk’s website. Mr. Smith reminded the board that the corporate bylaws, when amended, are subject to board approval, unlike the Articles of Incorporation. He also stated the bylaws will have to be amended to reflect the motion that was just passed to allow the CEO to sign contracts.

The board generally supported the proposed amendments. It was also suggested that Discovery Green be considered as a model for a financial structure since they have a conservancy in place. Mr. Gonzalez also suggested continued review of the ad hoc committee’s work during the financial structure deliberations.

H. Presentation and possible action on the HemisFair Area Framework Plan and its associated next steps

Mr. Andujar stated this presentation is not the final master plan but rather an interim approval for the consultants to let them know they are on the right track. He then turned it over to Bill Fain and David Alpaugh with the master plan consulting team. The framework was developed from the input received from the two public meetings and stakeholder interviews as well as the HPARC Guiding Principles and current citywide initiatives (Mission Verde, Vision 2020, and Decade of Downtown). It is based on significant principles of preservation, green space, mixed use, connectivity, balance, sustainability, and leadership. Some of the big ideas included large public spaces for the general public and smaller spaces for residents of the park, moving the west end of the convention center to open up access to the river, and having an amphitheatre. In terms of residential, the framework allows for a variety on the south end with more dense development on by the convention center and the highway. Mixed use may include a market place and some type of commercial component for grocery, cleaners, and other amenities. The streetcar system could go through the site from east/west with a crossing on Alamo Street. Improving Durango Boulevard to make it pedestrian friendly will be important. Pedestrian and bike access has not yet been addressed.

With regard to balance, vertical uses will provide life on the streets and a lively community and scale for housing will be key. The park will be family-friendly with basic needs being met such as schools, safe streets, and attractive to all ages. Sustainability is the environmental component and everything will serve more than one purpose. Parks will replace pavement/concrete to reduce heat island and allows for rainwater to get to the aquifer. Additional water energy and resource management will also be a sustainable feature.

Overall the plan is about neighborhood and people will want to be there and they will want to reinvest. There will be mix use, a range of housing choices, walkable neighborhoods connected to each other, attractive communities with a sense of place, preservation of open space, strengthening direct development and a variety of transportation options. Development decisions will be predictable, fair, and cost effective. Moving forward to finalize the plan, the consultant team will continue to encourage stakeholder and community collaboration. This plan is

completely community driven. The full presentation will be made available to the board following this meeting.

The board made a number of comments and asked several questions to Mr. Fain and Mr. Alpaugh. Mr. Fain found it interesting that the board was so involved in the workshops and were on hand to listen to the community's. From a planning perspective, this was a unique process. Since everyone was listening, it was natural that a great deal of consensus was the result. The themes of culture and neighborhoods were overriding in all work sessions. Another important aspect was bringing back the strength of north/south access. Mr. Fain also commented that this project has a great opportunity to spark downtown to a new renaissance; the housing and cultural uses can resurrect a 24/7 lifestyle to attract folks from suburban areas. Board members were very impressed with the progression of the plan and appreciate the potential of a family friendly, learning experience. They also welcomed the notion of safe connectivity for children to get to the park and the Durango Boulevard improvements. This direction will make the park a destination with a sense of discovery, both formal and informal. They are looking forward to the final product and the implementation phase.

Debra Guerrero made a motion to approve the direction of the plan's framework and support moving forward in the general direction presented today. Gini Garcia seconded it and it passed with all in favor and none opposed. Mr. Smith thanked everyone of the hard work. Mr. Andujar will be meeting with various stakeholders and will take the framework to council for input. The rollout is planned for mid-May and then Phase 2 will begin.

I. Citizens to be Heard

This agenda item was moved up to accommodate the public prior to the Executive Session. Mark Sullivan of 1113 Houston Street is a biomedical engineer and inventor. He invented Texpo 2020, a unique world's fair. He would like the Texpo to be part of this plan. There are 13 major educational components to the fair and it can bring tremendous financial gain to the area. San Antonio will be the test marker for new technological products. The fair has the potential of attracting 200 million virtual and physical visitors. Mr. Sullivan has already met with Johnson Fain. He would like to request office space at HemisFair for the event and a letter of support from HPARC. Mr. Smith suggested he go to the website or contact Xavier Gonzalez and submit a description of his proposal.

J. Board Member Comments

Nothing additional to add.

K. Executive Session

The HPARC Board went into Executive Session at approximately 10:05 a.m. Please see supporting documentation.

L. Adjournment

Mr. Smith adjourned the meeting after Executive Session at approximately 10:25 a.m.