

Hemisfair Park Area Redevelopment Corporation
Board of Directors Monthly Meeting
424 South Alamo Street
San Antonio, TX 78205
October 22, 2014
8:30 a.m. – 9:30 a.m.

Board Attendance: Madison Smith, Sue Ann Pemberton, Dirk Elmendorf, Alan Schoenbaum, Bill Shown, Dan Lopez, Rod Radle, Sonia Rodriguez, Paul Foster

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

Additional Attendance: Karl Baker (Golden Steves)

A. Call to Order

HPARC Chair Madison Smith officially called the meeting to order at 8:37am.

B. Approval of the October 10, 2014 Meeting Notes

HPARC Board Member Sue Ann Pemberton requested to amend the minutes to reflect that Rod Radle was in attendance at the October 10 Board Meeting. Dirk Elmendorf made a motion to approve the minutes with the suggested correction, and Board Member Rod Radle seconded the motion. The motion passed unanimously.

C. Citizens to be Heard

There were none.

D. Briefing and Possible Action on Hemisfair Bond Fund Transfer from Civic Park Design to Yanaguana Garden Phase 2 Construction

HPARC Director of Planning, Operations, and Development Omar Gonzalez explained the purpose of the meeting to approve the transfer of funds. There was a shortfall in the budget for Yanaguana Garden construction from the 2012 Bond dollars because at the time of the Bond, there was no design, just an estimate based on programming documents. Construction estimates have now been completed and reflect a \$2.5M shortfall. In order to complete Yanaguana Garden all at one time, for a lower price today and a better result on opening day, HPARC would like to use 2012 Bond dollars earmarked for the civic park design to make up for the budget shortfall. This allows delivery of an impressive park on Day 1, encourages more donor recognition opportunities, eliminates complications of phased construction, and allows for wholesale construction savings. Philanthropic donations will replace the borrowed dollars earmarked for the civic park construction documents.

HPARC CEO Andres Andujar further clarified that HPARC is requesting to borrow construction documentation dollars—not actual design dollars for the civic park. The civic park will be designed by the end of 2014.

A long discussion of pros and cons to the transfer ensued. Board Chair Madison asked if there are any downsides to transferring the money. Gonzalez explained that the worst case scenario is that HPARC would not have raised funds for the civic park construction documents by the time that they were needed. This would however not affect the schedule of entering into P3 relationships on the northwest corner of the Hemisfair site. Board Member Bill Shown expressed his opinion that there is no downside to the transfer because it is better to have a completed Yanaguana Garden than a half-finished Yanaguana Garden and completed construction documents for an additional park without funds to be built. Executive Director of the Hemisfair Conservancy, Anne Krause, expressed that a finished Yanaguana Garden is the best way for the Conservancy to raise large sums of money for the civic park.

Board Member Dan Lopez asked is there a value to the fundraising effort that the Conservancy would lose if the money is transferred. Ms. Krause explained that urgency is always part of a compelling case for support, but in this case, the fundraising effort should not be affected. Krause explained that she has been cultivating donors for the past six months and has established a very large network. She is working on a November campaign to solicit donations. As soon as the donor recognition policy is approved by City Council, larger donations will be solicited. Donor Recognition opportunities will be offered at certain prices and do not promise allocation of funds to a certain project. The funds will be unrestricted and used for park purposes. Krause feels very good about raising funds for Yanaguana Garden because interest from the philanthropic community has been great. HPARC will need the \$2.5M to be raised by mid-2015 to replace the transferred dollars.

Board Member Dirk Elmendorf explained that if HPARC transfers the money and completes construction of Yanaguana Garden all at one time, construction costs will be much lower because they will be contracted in bulk instead of phased. Saving tax payers' money and delivering a spectacular park sooner than later are compelling explanations for support of the transfer. The group discussion resulted in overall positive support for the transfer.

Board Member Paul Foster voiced that P3 developers in the northwest corner site may be concerned that the civic park will not be complete by the time their buildings are up. Madison Smith explained that although the civic park may not be completed, there will be a fully completed design which brings momentum and urgency for the case for support.

The staff recommendation was for Board approval to request transfer of \$2.5M of 2012 Bond dollars allocated for civic park construction documents to Yanaguana Garden construction. HPARC Board Member Bill Shown motioned to approve, HPARC Board Member Sonia Rodriguez seconded, all were in favor, and the motion passed.

CEO Andres Andujar explained to the Board that the next step is approval of the transfer by City Council.

E. Board Member Comments

Board Member Sonia Rodriguez requested talking points to make sure she understood exactly how to explain the benefits of the transfer.

F. Executive Session

No executive session was held.

G. Adjournment

HPARC Chair Madison Smith adjourned the meeting at 9:27 AM.