



## FREQUENTLY ASKED QUESTIONS (FAQ)

*Request for Interest: Historic Kusch House at Hemisfair*

### ***Are applicants to previous RFIs allowed to respond to this RFI?***

Yes.

### ***Can I visit/tour now?***

Yes. A Pre-Submittal Conference and Tour took place on Tuesday, May 17, 2022 at 3:30 p.m. Tours are also available by appointment. For tour requests and other questions not answered here, email [melissa.chamrad@hemisfair.org](mailto:melissa.chamrad@hemisfair.org). We will post your question and its answer to this FAQ document so that all respondents have access to it.

### ***When does the lease start?***

The tenant is expected to be selected by July 1, 2022, at which time the lease term could begin. The Kusch House has recently completed an extensive exterior rehabilitation and we are seeking a tenant to build out the interior. It is permissible to construct an addition specific to their needs.

### ***How much is rent?***

Rent for Hemisfair tenants is based on a percentage of gross revenue (in the single digits) to be negotiated through the selection process. Rent payments contribute directly to the maintenance and improvement of public parks at Hemisfair. As the parks drive business to tenants, tenants succeed, and the parks benefit. This structure is also helpful to businesses during startup or in times of uncertainty, such as the recent pandemic.

### ***What tenant improvement allowance does Hemisfair offer?***

Hemisfair has recently rehabilitated the building's major exterior elements including the front and rear porches, windows, doors, roofing and exterior plaster. Tenants are expected to pay for any additional capital improvements to the property. Contributions from a tenant toward improvement of the property may translate to a more advantageous lease structure and concession package, to be determined during lease negotiations.

### ***What concessions are offered?***

While Hemisfair cannot provide a TI allowance, flexibility exists in lease terms, including rent.

### ***What is the term of leases?***

The length of the lease has not been pre-determined and will be similarly negotiated based on multiple factors. Most leases to-date have been structured as a three-year term with extensions.

***Where will tenants' staff park?***

Parking is available for a fee through monthly passes at current Hemisfair parking facilities.

***How will tenants handle trash pickup? Is there a CAM? Is this a NNN lease?***

Currently, Hemisfair maintains and oversees contracts for trash, grounds management and auxiliary services. Hemisfair divides Common Area Maintenance (CAM) expenses between tenants based on usage. Leases are generally described as NN, as there are no property taxes and Hemisfair/the City are responsible for the building structure. Tenants are responsible for ongoing services and expenses such as water, electric, gas, insurance, and CAM.

***What other requirements are there (insurance, liability, etc.)?***

Standard requirements for permitting, insurance and liability will be in accordance with City of San Antonio requirements. Those requirements are available from Hemisfair upon request.

***On what criteria are you judging respondents to this RFI?***

Successful respondents will showcase an understanding of the redevelopment effort at Hemisfair and an enthusiasm for becoming part of a park-tenant ecosystem. Respondents should demonstrate a history of success with starting, owning and/or operating businesses, and that they have access to sufficient capital to invest in any necessary updates to the structures to satisfy the tenant's needs.

***Who is selecting the tenants?***

Members of the Hemisfair board and staff along with community representatives will determine the tenant(s) with which to enter negotiations.

***Where do patrons park?***

The Hemisfair Garage boasts 238 public parking spaces, in addition to 110 spaces at two surface public parking lots, one off South Alamo Street and another on Martinez Street. Future phases near Civic and Tower parks will add hundreds of additional public parking spaces. Parking fees are nominal and contribute toward park maintenance and programming.

***Are there any restrictions on the use of the home, type of tenants or their improvements?***

Any improvements to the structures must conform to both Hemisfair Design Standards and Texas Historic Commission guidelines. Alterations to the exteriors are also subject to the approval of Historic Design Review Commission and the Texas Historic Commission. Tenants of the historic properties at Hemisfair must ensure that their business acts as a park activator, encouraging visitation to the parks and adding to district's visitor experience and park vibrancy. Businesses must be open to the public and should not feel private as may be the case with offices, private clubs, and residences.



***What about TABC? Does Hemisfair allow alcohol to be sold by tenants?***

Hemisfair is one of the few City parks that allow for open consumption of alcohol in non-glass containers. Hemisfair offers visitors a family-friendly environment that is also compatible with the responsible consumption of alcoholic beverages. Hemisfair authorizes tenants to hold a TABC wine and beer retailers permit, to sell for consumption on or off the premises per the Texas Alcoholic Beverage Code. TABC-issued mixed beverage permits for sales or consumption of mixed alcoholic beverages are allowed.

***What are the key benefits to businesses that might be interested in operating at Hemisfair?***

First, there is the historical significance of the properties and the district. Second, tenants to these homes experience built-in traffic. Prior to the pandemic, Hemisfair enjoyed approximately 600,000 visitors each year, with thousands attending the more than 600 events held at Hemisfair annually. Attendance numbers and park penetration are nearly to pre-pandemic levels, with many major festivals and community events returning to Hemisfair. Parkgoers represent a wide demographic, primarily locals (approximately 85%), but also many visitors from around the world visiting for conventions and recreation. To date, more than 3.5 million people have visited Hemisfair since the grand opening of Yanaguana Garden in 2015. Other adjacent pedestrian attractions include the Convention Center, the Riverwalk, The Alamo, La Villita and the Tower of the Americas, generating millions of visitors to the area.

The future is bright with Civic Park on the horizon—after breaking ground in January, construction is well underway for a late 2023 completion of the first phase, and late 2024 for the second phase of construction.

***What is the deadline for submittals?***

Responses to the RFI must be received by 5:59 PM on June 10, 2022.

**Questions asked during 5/17/22 Pre-Submittal Conference:**

***Where is the Park Police Headquarters next door to the Kusch House being relocated?***

The City of San Antonio is relocating the Park Police Headquarters from the RCA Pavilion to Building 277 in Tower Park.

***Is it required for the transformer to be relocated?***

Yes, due to the size and location the equipment occupies. Relocating the transformer to a back-of-house area will allow for better activation of the park and tenant. This relocation will be completed using already existing grant funding, not tenant funding.

***Do you have a demographic breakdown of park visitors?***

From the Hemisfair Visitor Survey, FY21:

*Latino/Hispanic 48.67%*

*White 39.16%*

*Black or African American 7.60%*

*Asian or Asian American 3.42%*

*Native Hawaiian or other Pacific Islander 1.14%*

***Is it possible to split the Kusch House into two leases/concepts?***

Yes, with agreement from both parties.

***Will the tenant have an opportunity to activate outside of the building footprint or on parkland?***

Yes. Because the rent is based on sales, there is no specific charge for the use of outdoor space for our tenants.

***How much of the funding from Bank of America will be available for the interior finish out of the Kusch House?***

Due to some required exterior upgrades, there is not currently a specific amount to be used for interior improvements. These will largely be the responsibility of the tenant. Some rental concessions can be made for tenant investment and will be negotiated as part of the lease contract.

***Is there currently plumbing or electric in the Kusch House?***

No.

***Can an addition be constructed for a retail concept?***

Yes, following HDRC and THC standards.

***What is the timeline for opening a concept?***

To be negotiated based on the proposed concept and associated construction requirements.

***Will the tenant be responsible for an adjacent dog park area?***

No. The tenant is only responsible for the building footprint and exterior space included in the agreement.

***What is the plan to redirect water from the foundation?***

A grading plan is still needed for the building and will be completed as part of the finish out of any exterior additions or improvements.



***How far is the property line/control for the building?***

Up to the back of sidewalks for Hemisfair Boulevard and E. Nueva Street.

***Are there any other buildings available for lease?***

Not at this time. As historic preservation funding is identified, more historic structures within the Hemisfair district will become available for tenancy. We expect that another building will become available in the next year.

***Is there security throughout the park?***

In addition to Park Police Headquarters being located at Tower Park, Hemisfair contracts a third-party security team in the evening and overnight. Security detail covers various activated areas of the park (currently Yanaguana Garden) and will adjust as more tenants and parks come online.

**Please do not be intimidated by the level of detail requested in the RFI. We ask that you submit as complete a package as possible before the due date. If additional information is required, our team will request it prior to potential tenant interviews. We're excited to learn about your individual business ideas and their fit within Hemisfair!**