

**ARTICLES OF INCORPORATION
OF THE
HEMISFAIR PARK AREA REDEVELOPMENT CORPORATION**

We, the undersigned natural persons, each of whom is at least 18 years of age, a qualified voter, a citizen of the State of Texas and a resident of the City of San Antonio, Texas (the “City”), acting as incorporators of a public, nonprofit local government corporation under and with all the powers described in Subchapter D of Chapter 431, Texas Transportation Code, as amended (the “Act”) Chapter 394, Texas Local Government Code; Chapter 22, Business Organizations Code, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I. NAME

The name of the Corporation is the “HEMISFAIR PARK AREA REDEVELOPMENT CORPORATION” (the “Corporation”).

ARTICLE II. AUTHORIZATION

The Corporation is a public, nonprofit local government corporation governed by the Act, as now existing or as to be amended.

ARTICLE III. DURATION

Subject to the provisions of Article XIV hereof, the period of duration of the Corporation is perpetual.

ARTICLE IV. PURPOSE AND LIMITATIONS

(a) The Corporation is organized to accomplish certain governmental purposes of the City, to wit: assist with acquiring property, planning, developing, constructing, managing, maintaining, and financing projects within HemisFair Park (the “Park”) and areas adjacent to or near the Park in order to promote economic development, employment, and to stimulate business, housing, tourism, and commercial activity within the City, all at the request of the City Council of the City (the “Council”).

(b) The Corporation shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of the State of Texas to local government corporations incorporated under the Act whether or not so expressly limited in these Articles of Incorporation.

(c) The Corporation is created as a local government corporation pursuant to the Act and shall be a governmental unit within the meaning of Subdivision (2), Section 101.001 Texas Civil Practice and Remedies Code. The operations of the Corporation are governmental and not proprietary functions for purposes of the Texas Tort Claims Act, Section 101.001 *et seq.*, Texas Civil Practice and Remedies Code. The Corporation shall have the power to acquire land in accordance with the Act as amended from time to time, subject to the approval of the Council.

(d) Prior to the consummation of the sale and delivery of any bonds, notes, or other forms of debt instruments, the Corporation shall obtain the approval thereof from the Council.

(e) In the exercise of its powers, the Corporation may enter into loan, lease, trust, or other agreements as authorized by the Act that are necessary and appropriate to the fulfillment of the public

purpose of the Corporation, all of which agreements, and the specific uses, and the methods of withdrawal and expenditure, of the proceeds the bonds, notes, or other debt instruments proposed to be issued by the Corporation, shall be stated and described in the proceedings authorizing such bonds, notes, or other debt instruments, and must be included as a part of the approval process of the Council required above. In connection with the issuance of its bonds, notes, or other debt instruments, the Corporation shall select consultants, general counsel, bond counsel and financial advisors acceptable to the City Attorney and City Manager.

(f) No part of the Corporation's activities shall be carrying on propaganda, or otherwise attempting to influence legislation, and it shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE V. MEMBERSHIP

The Corporation has no members and is a nonstock corporation.

ARTICLE VI. AMENDMENTS

These Articles of Incorporation may be amended at any time as provided in the Act, to make any changes and add any provisions which might have been included in the Articles of Incorporation in the first instance. Any amendment may be accomplished in the following methods:

(a) The Board of Directors of the Corporation may file a written application with the Council requesting permission to amend these Articles of Incorporation, specifying in such application the amendment proposed to be made, and if the Council by appropriate resolution determines that it is wise, expedient, necessary, or advisable that the proposed amendment be made and shall approve the form of the same and authorize it to be made, then the Board of Directors of the Corporation may amend the articles of incorporation by adopting such amendment at a meeting of the Board of Directors and delivering the articles of amendment to the Secretary of State, or

(b) the Council may, in its sole discretion, and at any time, alter or change the structure, organization, programs, or activities of the Corporation (including the power to terminate the Corporation), subject to any limitation on the impairment of contracts entered into by the Corporation, by adopting an amendment to these Articles of Incorporation and delivering articles of amendment to the Secretary of State.

ARTICLE VII. INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the Corporation is City Hall, 100 Military Plaza, San Antonio, Texas 78205, and the name of its initial registered agent at such address is Pat DiGiovanni.

ARTICLE VIII. BOARD OF DIRECTORS

The affairs of the Corporation shall be managed by a board of directors containing nine members. The initial board of directors shall be composed of eleven members, but the number of members of the board of directors may be increased or decreased within the limits provided in this Article by a resolution or ordinance approved by the Council. Members of the board of directors shall be at least 18 years of age and may be composed of residents and non-residents of the City, and members of the Council and

employees and officers of the City are eligible to serve as members of the board of directors; provided, however, residents of the City must at all times comprise at least a majority of the total members appointed to the board of directors. It is the intention of the City that the board of directors shall be composed of people with demonstrated expertise and experience in a variety of areas, and that at a minimum the board of directors shall include the following:

- (i) at least one member with demonstrated experience or expertise in the development of commercial real estate;
- (ii) at least one member with demonstrated experience or expertise in the development of multi-family housing;
- (iii) at least one member with demonstrated experience or expertise in real estate investments or finance;
- (iv) at least one member expected to represent the interests of downtown neighborhoods;
- (v) at least one member expected to represent the interests of downtown business;
- (vi) at least one member with an expertise in either civil engineering, architecture, landscape design, park design, or urban planning.
- (vii) at least one member expected to represent historic preservation interests or in the redevelopment of historic properties;

Following the respective initial term of office shown in Article X below, a director shall hold office for four year terms commencing on August 14 following the respective initial term of office shown in Article X below and ending on August 13 four years later, or until a qualified successor is appointed by the City Council. The Council may remove a director for cause or at any time without cause. A director serves without compensation, but shall be entitled to reimbursement for actual expenses incurred in the performance of duties under the Act. The Corporation and the directors shall be subject to both the Texas Open Meetings Act and the Texas Open Records Act (Chapters 551 and 552, Texas Government Code, as amended).

ARTICLE IX. DIRECTOR LIABILITY

To the fullest extent permitted by Texas statutes, as the same exist or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits broader limitations than permitted prior to such amendment), a director of the Corporation shall not be liable to the Corporation for monetary damages for an act or omission in the director's capacity as a director. Any repeal or amendment of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the Corporation existing at the time of such repeal or amendment.

(Remainder of page intentionally left blank)

ARTICLE X. INITIAL BOARD OF DIRECTORS

The number of directors constituting the initial board of directors shall be eleven. The names and street addresses of the persons who are to serve as the initial directors and the date of expiration of their initial terms as directors (which terms shall commence on the date these Articles of Incorporation are filed with the Secretary of State's office) are as follows:

<u>NAME/POSITION</u>	<u>TERM YEARS</u>	<u>ADDRESS</u>	<u>EXPIRATION DATE OF INITIAL TERM</u>
<u>Bill Shown</u> Real Estate Development	4 Years	104 Newbury Terrace San Antonio, Texas 78209	August 13, 2013
<u>Xavier Gonzalez</u> Historic Preservation	4 Years	8018 Chambers Road San Antonio, Texas 78229	August 13, 2013
<u>John Laffoon</u> Historic Preservation	2 Years	319 Harmon San Antonio, Texas 78209	August 13, 2011
<u>Deborah Geurrero</u> Affordable Housing	4 Years	3915 Skylark San Antonio, Texas 78210	August 13, 2013
<u>Art Hall</u> Finance	2 Years	2243 Shady Rock Circle San Antonio, Texas 78231	August 13, 2011
<u>Daniel Lopez</u> Downtown Neighborhoods	2 Years	202 Delaware San Antonio, Texas 78210	August 13, 2011
<u>Lisa Schmidt</u> Downtown Neighborhoods	2 Years	1331 South Flores Street, #108 San Antonio, Texas 78204	August 13, 2011
<u>Andres Andujar</u> Downtown Business	2 Years	322 Donella San Antonio, Texas 78232	August 13, 2011
<u>Gini Garcia</u> Downtown Business	2 Years	129 Barrera San Antonio, Texas 78210	August 13, 2011
<u>David Zachry</u> Civil Engineering, Architecture, Landscape Design, Park Design, or Urban Planning,	2 Years	606 Arcadia Place San Antonio, Texas 7809	August 13, 2011
<u>Madison Smith</u> Civil Engineering, Architecture, Landscape Design, Park Design, or Urban Planning,	4 Years	132 East Oakview Place San Antonio, Texas 7809	August 13, 2013

At least a majority of the initial directors reside in the City. Each director, including the initial directors, shall be eligible to serve for additional terms at the discretion of the Council. Directors are removable by the Council for cause or without cause. In the event any director resigns, is removed from

office by the Council or no longer serves on the board of directors of the Corporation for any reason, the Council shall provide for the selection of a new director to complete the unexpired term.

ARTICLE XI. INCORPORATORS

The name and street address of each incorporator are:

NAMES

ADDRESSES

Pat DiGiovanni

City Hall, 100 Military Plaza
San Antonio, Texas 78205

CCM Cisneros

San Antonio, Texas 782____

Hon. Julian Castro

City Hall, 100 Military Plaza
San Antonio, Texas 78205

Each of the incorporators resides in the City of San Antonio, Texas and is at least 18 years of age.

ARTICLE XII. LOCAL GOVERNMENT AUTHORIZING CREATION OF CORPORATION

The local government which has caused the Corporation to be created to act in accordance with the Act is the City of San Antonio, Texas. The City's address is: City Hall, 100 Military Plaza, San Antonio, Texas 78205.

ARTICLE XIII. AUTHORIZATION AND APPROVAL BY CITY

Pursuant to a resolution adopted by the Council on August 13, 2009, the City has approved these Articles of Incorporation and has authorized the creation of the Corporation to act on its behalf to further the public purposes set forth in the Resolution and these Articles of Incorporation.

ARTICLE XIV. DISSOLUTION

If the Corporation ever should be dissolved when it has, or is entitled to, any interest in any funds or property of any kind, real, personal or mixed, such funds or property or rights thereto shall not be transferred to private ownership, but shall be transferred and delivered to the City after satisfaction or provision for satisfaction of debts and claims.

ARTICLE XV. MISCELLANEOUS

(a) No dividends will ever be paid by the Corporation, and no part of the Corporation's net earnings remaining after payment of its expenses and other obligations will be distributed to or inure to benefit of its directors or officers, or any individual, private firm, or private corporation or association, except in reasonable amounts for services rendered.

(b) If, after the close of any fiscal year, the board of directors determines that sufficient provision has been made for the full payment of all current expenses, together with all amounts payable

on the contracts, agreements, bonds, notes, and other obligations of the Corporation, and that all of the terms, provisions, and covenants therein have been met, then any net earnings will be used solely for the purposes permitted by the Act and Article IV(a) of these Articles of Incorporation.

(c) If the Corporation ever should be dissolved when it has, or is entitled to any interest in any funds or property of any kind, real, personal or mixed, such funds or property or rights thereto will not be transferred to private ownership, but will be transferred and delivered to the City after satisfaction of debts and claims.

* * *

Executed this ____ day of _____, 2009.

INCORPORATORS

_____, as an Incorporator

_____, as an Incorporator

_____, as an Incorporator

ACKNOWLEDGEMENT

THE STATE OF TEXAS
COUNTY OF BEXAR

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I, the undersigned, a Notary Public in and for the State of Texas, do hereby certify that on this ____ day of _____, 2009, personally appeared _____, _____ and _____, each being by me first duly sworn, severally declared that they are the persons who signed the foregoing Articles of Incorporation as incorporators and in their respective capacities, as shown above and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office the day and year above written.

Notary Public in and for
the State of Texas
My Commission Expires _____

(NOTARY SEAL)