

**SAN PEDRO CREEK DEVELOPMENT AUTHORITY
ARTICLES OF INCORPORATION**

These Articles of Incorporation for the San Pedro Creek Development Authority, a local government corporation jointly created by the City Council of the City of San Antonio (the "City") and Commissioners Court of Bexar County (the "County") pursuant to Subchapter D, Chapter 431, Texas Transportation Code (the "Act") were approved by City Resolution on _____, 2024 and by County Order on _____, 2024.

Article 1. Name. The name of the local government corporation shall be the San Pedro Creek Development Authority (the "Authority").

Article 2. Entity.

- A. Nonprofit. The Authority shall be public, nonprofit corporation.
- B. No Members. The Authority shall have no members.
- C. Governmental. The Authority is a governmental unit as that term is used in Chapter 101, Civil Practices and Remedies Code. The operations of the Authority are governmental, not proprietary, functions.

Article 3. Duration. The Authority shall exist in perpetuity or until jointly dissolved by the City and the County.

Article 4. Purpose and Authority.

- A. The Authority is organized to activate and support the San Pedro Creek Cultural Park and San Pedro Creek Park District, a district which shall be coterminous with the San Pedro Creek Management District. The Authority is specifically authorized to acquire property and issue debt for the purpose of constructing a multi-purpose facility with approximately 4,500 fixed seats and capacity for approximately 7,500 to be used for professional minor league baseball, college and high school baseball games, other non-professional sporting events, conventions, meetings, festivals, special events, community events, etc. (the "Facility"). The Authority will own the Facility and lease the Facility to the San Antonio Missions (the "Team") pursuant to a long-term lease (the "Lease Agreement").
- B. The Authority shall have and exercise all of the rights, powers, privileges, authority, and functions given under the Act and by the general laws of Texas to nonprofit corporations incorporated under Chapter 22, Texas Business Organizations Code (the "Texas Non-Profit Corporation Act") consistent with the provisions of the Act.
- C. Income. The earnings of the Authority may not benefit a private interest.

Article 5. Initial Registered Agent. The Initial Registered Agent of the Authority shall be the City Attorney of the City, to wit: Andy Segovia, City Attorney, 203 S. St. Mary's St., 2nd Floor, San Antonio, Texas 78205. This office is located within the City and the County.

Article 6. Incorporators. The names and address of the Incorporators of the Authority, each of whom resides in the City and the County, are:

- A. Hope Andrade
123 Lexington Avenue, Unit 1604
San Antonio, Texas 78205
- B. Blakely L. Fernandez
232 El Monte Blvd
San Antonio, Texas 78212
- C. Randy Smith
114 E. Elsmere
San Antonio, Texas 78212

Article 7. Board of Directors. All the powers of the Authority are vested in the Board of Directors (the "Board").

- A. Qualifications of a Director. A Director may be a member of the governing body, an officer, or an employee of the City or the County. Each Director is not required to be a resident of the City and County, provided that a majority of Directors are residents of both the City and County.
- B. Term. Except for Initial Directors, Directors shall hold office for two-year terms and until the Director's successor is appointed and has qualified.
- C. Vacancies. Vacancies to the Board shall be filled for the unexpired part of the term by the governing body in the same manner as the vacated appointment.
- D. Initial Directors. The number of directors constituting the Initial Directors is nine. A change in the number of directors may be made only by written amendment to these Articles of Incorporation approved by the City and the County. The Initial Directors shall remain as directors until the Facility is complete, as evidenced by a certificate of occupancy, estimated to be in April 2028. The names and addresses of persons who are to serve as the Initial Directors, each of whom reside in Bexar County, Texas, and the majority of whom reside in San Antonio, Texas are as follows:
 - 1. From the County:
 - a. County Judge
 - b. Precinct 2 Commissioner
 - c. County Manager
 - 2. From the City:
 - a. Mayor
 - b. City Manager
 - c. City CFO
 - 3. From the Team:
 - a. Hope Andrade, 123 Lexington Avenue, Unit 1604, San Antonio, Texas 78205
 - b. Bruce Hill, 125 Charles Road, Terrell Hills ,Texas 78209

- a. Randy Smith, 114 E. Elsmere, San Antonio, Texas 78212

Once the Facility is complete, the City and County shall appoint directors for two-year terms.

- E. During the term of the Lease Agreement. The Board shall be comprised of nine directors: three members appointed by the City, three members appointed by the County, and three members nominated by the owners of the Team and appointed by the County. The Directors are appointed for staggered terms of two years, with the terms of two members appointed by the County, two members appointed by the City, and one member nominated by the Team and appointed by the County expiring on February 1 of each odd-numbered year and the remaining terms expiring on February 1 of each even numbered year.
- F. During a period when there is no Lease Agreement with the Team. The Board shall be comprised of seven directors: the County and the City shall each appoint three members and jointly appoint one member. The Directors are appointed for staggered terms of two years, with the terms of two members appointed by the County and two members appointed by the City expiring on February 1 of each odd-numbered year and the remaining terms expiring on February 1 of each even numbered year.
- G. Officers. The officers of the Authority consist of a president, a vice president, a secretary, a treasurer, and other officers as considered necessary by the Board. Each officer shall be elected annually by a vote of the Board. The president shall preside over Board meetings and, with the attestation of the Secretary, shall sign the contracts, agreements, and other instruments made by the Board.
- H. Director Liability. No Director shall be liable to the Authority for monetary damages for an act or omission in the director's capacity as a Director, except to the extent the Director is found liable: (i) for any breach of the Director's duty of loyalty to the Authority; (ii) for acts or omissions not in good faith that constitute a breach of duty or which involve intentional misconduct of the Director or a knowing violation of the law; (iii) for any transaction from which the Director received an improper personal benefit, whether or not the benefit resulted from an action taken within the scope of the Director's office; or (iv) for acts or omissions for which the liability of a Director is expressly provided by statute. 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 existing at the time of such repeal or amendment. In addition to the circumstances in which a Director is not personally liable as set forth in this Article 7, Section H, a Director shall not be liable to the fullest extent permitted by any amendment to the Texas statutes hereafter enacted that further limits the liability of the Director. Benefits to the County, City, or Team as part of the purpose of the Authority are not personal benefits of any Director.

Article 8. Board Meetings. Board Meetings shall be held in the City. A majority of the Directors constitutes a quorum. The Directors may take action by a majority vote when a quorum is physically present.

Article 9. Books and Records. The Authority shall keep complete books and records of account and shall keep minutes of the proceedings of its Board.

Article 10. Dissolution.

- A. Requirements for Dissolution. All liabilities and obligations of the Authority shall be paid, satisfied, and discharged, as set forth in the Non-Profit Corporation Act.
- B. Certificate of Dissolution. If the Board determines by resolution that the purposes for which the Authority was formed have been substantially met and that all bonds issued by and all obligations incurred by the corporation have been fully paid, the Directors shall execute a certificate of dissolution stating those facts and declaring that the Authority is dissolved. The Directors shall file the certificate for recording in the office of the secretary of state. The Directors shall execute the certificate under the Authority's seal.
- C. Assets revert to City and County. On the filing of the certificate of dissolution, the Authority is dissolved. The title to all funds and property owned by the Authority at the time of dissolution vests in the City and County, and the funds and property shall be promptly delivered jointly to the City and County.

Article 11. Amendment. These Articles of Incorporation and the Bylaws of the Corporation may be amended at any time and from time to time by the Board with the approval of the City and the County.

IN WITNESS WHEREOF, we have hereunto set our hands as of this _____ day of _____, 2024.

INCORPORATORS

Esperanza "Hope" Andrade

Blakely L. Fernandez

Randal Smith