

**State of Texas  
County of Bexar  
City of San Antonio**



**Meeting Minutes  
City Council Special Meeting**

Municipal Plaza Building  
114 W. Commerce Street  
San Antonio, Texas 78205

**2023 – 2025 Council Members**

Mayor Ron Nirenberg  
Dr. Sukh Kaur, Dist. 1 | Jalen McKee-Rodriguez, Dist. 2  
Phyllis Viagran, Dist. 3 | Dr. Adriana Rocha Garcia, Dist. 4  
Teri Castillo, Dist. 5 | Melissa Cabello Havrda, Dist. 6  
Marina Alderete Gavito, Dist. 7 | Manny Pelaez, Dist. 8  
John Courage, Dist. 9 | Marc Whyte, Dist. 10

**Thursday, November 21, 2024**

**10:30 AM**

**City Council Chambers**

The City Council convened a special meeting in the Norma S. Rodriguez Council Chamber in the Municipal Plaza Building beginning at 10:45 AM. City Clerk Debbie Racca-Sittre took the Roll Call noting a quorum with the following Council Members present:

**PRESENT: 11** – Nirenberg, Kaur, McKee-Rodriguez, Viagran, Rocha Garcia, Castillo, Cabello Havrda, Alderete Gavito, Pelaez, Courage, Whyte

**ABSENT:** None

**ITEMS**

1. Briefing on the proposed Sports and Entertainment District in Hemisfair and the surrounding area [Erik Walsh, City Manager; Lori Houston, Assistant City Manager]

Mayor Nirenberg thanked the partners for being in attendance as well as State Representative Barbara Gervin Hawkins. He clarified that the proposal was the work of solid due diligence and

was well beyond a simple facelift for Hemisfair Park and would transform downtown for residents and visitors alike. Upgrades to major assets and the realignment of our goals for downtown were needed, according to Mayor Nirenberg. He noted that San Antonio was an attractive place to live and work with investments in higher education, job training, pre-K, and the economy was rising.

City Manager Erik Walsh stated that the vision built upon incredible assets and was transformational for downtown to create a vibrant hub of activity that fostered civic pride. He stated that the next step was to engage with community stakeholders. He introduced Assistant City Manager Lori Houston who presented a description of the project, as well as next steps.

Houston recognized project partners: San Antonio Spurs owners and representatives, the University of Texas at San Antonio (UTSA), Hemisfair Park Redevelopment Corporation (HPARC), and Bexar County. Houston stated that the San Antonio Sports and Entertainment District would have potential transformative and iconic effects, improve quality of life for residents, increase and provide new visitation, encourage adjacent development, and enhance connectivity.

Because the Convention Center did not have adequate meeting space, the community had not benefited from the 465,000 potential visitors that would have come over the past five years, and, according to Houston, these visitors would have spent approximately \$716 million. She noted that the Alamodome was over 30 years old and required significant upgrades to remain a viable concert venue and to host major sports events. She noted that the City needed more convention hotel rooms to compete for major national convention opportunities. Houston asserted that a new arena in Downtown San Antonio, in a Sports & Entertainment District, would elevate the fan and team experience, connecting both to an activated district full of amenities within a quarter-mile walk.

Houston reported that the City had executed a Memorandum of Understanding (MOU) with the Board of Regents for the University of Texas System to secure the right of first refusal for their 13.45-acre site in Hemisfair (former Institute of Texan Cultures) and initiated the process to acquire the Federal Building and surrounding parking lots that were controlled by the General Services Administration. Houston stated that legislation granted the City of San Antonio the authority to create a Project Finance Zone (PFZ) for the purpose of financing improvements to the Convention Center and other sports and entertainment facilities, and the City had already established a PFZ.

In December 2023, the Henry B Gonzalez Convention Center and Alamodome secured a \$2.9 million planning grant from the United States Department of Transportation (US DOT) to initiate a public planning effort to develop options to connect downtown to the East Side, according to Houston. She reported that an RFQ for consulting services for the planning grant was issued on October 11, 2024, and Populous was hired to conduct master planning, CSL consulting was hired to help with feasibility and revenue projections, RLB for cost estimating, and Pape Dawson for infrastructure and traffic analysis. Houston stated that the total cost of these efforts was about \$3.5 million and was funded through the State Capital and Redemption Fund. Currently, the consultants were creating a Site Plan and a Concept Plan and Houston provided a map of the area

which included the Convention Center, Alamodome, headquarters hotel, retail and mixed-use opportunities, infrastructure, new concert and event venue, and an arena. She indicated that the next step was to develop a Funding Plan and determine market feasibility. The Convention Center feasibility study, according to Houston, would identify market supportable space needs, benchmark facilities in Texas and other global cities, introduce the spaces, amenities, and technology that would cater to future convention industry attendees, develop convention industry concepts that protected market share, and allowed for future market share growth. Houston noted that she would return to City Council on December 4, 2024 for a briefing on the results of the Convention Center feasibility study.

Houston stated that San Antonio lacked hotel rooms close to the Convention Center and there was a high demand for room inventory associated with leisure travel; an additional 1,000 room headquarter hotel would support convention hotel demand while continuing to accommodate high leisure travel demand. The plan required relocation of the SAWS Chiller Plant to a new site that would facilitate chiller capacity expansion, according to Houston.

At 65,000 seats, the Alamodome was the largest indoor concert venue in South Texas and third largest indoor stadium in Texas behind NRG and AT&T, according to Houston but needed renovation. She mentioned that the plan would also renovate the John Woods Courthouse into a live entertainment venue of approximately 5,000 seats to support smaller, mid-sized rotating concerts, community- focused events and take scheduling pressure off the Alamodome.

Houston recommended retail development that benefitted and thoughtfully connected to adjacent neighborhoods. She stated that infrastructure such as transportation, traffic improvements, parking, utilities, and neighborhood connections were needed to support the Sports & Entertainment District development. Houston stated that a Spurs Arena in a Sports & Entertainment District in Hemisfair would be transformational for San Antonio and would activate and anchor this world-class Sports & Entertainment District, providing a variety of options for sporting events and concerts that were too small for the Alamodome and too large for other San Antonio venues. Houston added that the funding for an arena would likely require a contribution from the City, the County, Spurs, and other sources.

Houston listed the following potential funding sources for the Plan: Hotel Occupancy Tax (HOT) which was paid for by tourists, Private Equity, New Market Tax Credits which was a Federal Program that was paid by the private sector, and Parking Revenue funded by parking customers. Houston closed her presentation by providing a timeline for the project that showed the assets planned in 5-year increments over the next 15 years.

#### DISCUSSION:

Mayor Nirenberg remarked that it was a comprehensive, inspired, but complex vision only achievable through teamwork.

Councilmember Alderete Gavito thanked partners for their attendance and supported the plan as an important step in achieving a new vision for downtown and improving the economy. She noted

that Convention Center limitations were inhibiting some conventions. She supported the new Spurs arena but clarified that funding would come from State Visitor Tax, Hotel Occupancy Tax (HOT), and car rental tax. Houston reported that SB 2220 allowed the establishment of a Project Financing Zone (PFZ) for the incremental Visitor and HOT. Bexar County could help with their Venue Tax funds but Alderete Gavito wanted to ensure that there would be no resident taxpayer money used to fund the arena. City Manager Walsh stated that a complete funding plan still needed to be developed and community engagement was needed. Councilmember Alderete Gavito wanted to ensure that there was adequate parking and a good public transportation plan for residents to be able to come downtown.

Councilmember Rocha Garcia noted that a year ago, she wrote a newspaper commentary about how now was the time to create a downtown stadium district like other cities had. Councilmember Rocha Garcia thought this was a great future for our kids including sports and entertainment as well as assets such as the Missions, Hemisfair, and UNESCO Creative Cities of Gastronomy. She supported a walkable downtown that all residents could enjoy. Councilmember Rocha Garcia stated that San Antonio had an opportunity to partner with private funders to achieve this vision and noted the work of the South Texas Business Partnership and expansion of international ties to Mexico that will allow small businesses to showcase their offerings. She recommended community input to develop a reuse plan for the Frost Bank Center after the Spurs were gone. As a member of the Visit San Antonio (VSA) board, she noted there needed to be improvements to City facilities in order to bring more visitors and conventions to San Antonio.

Councilmember Pelaez suggested that the East Side of Hemisfair Park was a blighted area and the Alamodome area deserved better. He thanked Senator Jose Menendez and State Representative Barbara Gervin Hawkins for their work to get SB 2220 passed which made this possible. Councilmember Pelaez stated that City Council could address housing, poverty, and gentrification and still have nice things. He disputed notions that sports fields did not bring economic prosperity and that only the rich developers and team owners made money, suggesting that this would benefit residents who would come downtown. He noted that the district would increase the number of people staying in hotels, provide local school tax revenue, and improved infrastructure, benefited small businesses, and brought jobs. Councilmember Pelaez asked what an experience of bringing our children to a Spurs game was worth. He recommended inclusion of a community benefit agreement, mandatory competitive minimum wage, and a piece of the broadcasting licensing for the City of San Antonio.

Councilmember Cabello Havrda noted that this was the start of an ambitious and inclusive conversation about the future of San Antonio. She recommended extensive community engagement in every council district because this impacted the entire City including residents and businesses as well as visitors. Councilmember Cabello Havrda indicated that mass transit Citywide was crucial and she wanted to ensure that historically underrepresented neighborhoods had a voice, particularly those on the near East Side close to the Alamodome. She recommended a look at long-term economic benefits including those small businesses and workers. Councilmember Cabello Havrda hoped this would be a transformative project for the entire City. Councilmember Whyte encouraged the City to dream it big. He commented that San Antonio was already great but we needed to strive to always be better. Councilmember Whyte saw this as an

opportunity to create a unique district that was transformational since it would connect assets and bring the Spurs back downtown as the team was an integral part of San Antonio's identity. He supported moving forward to explore viability but urged that the cost of the project could not be paid by the citizens of San Antonio noting that property taxes were high, utility rates and rents were high, and people could not afford to pay more.

Councilmember Viagran agreed that the Spurs needed to be downtown but wanted more information on how the PFZ would work and how HOT and parking revenues might increase. She requested more information on worker housing, public safety, equitable infrastructure, addressing climate change and how much it might cost to keep up old buildings. Councilmember Viagran looked forward to hearing from the community. She noted that her priorities were the arena and the East Side connector.

Councilmember McKee-Rodriguez wished that this same thoughtful planning would have gone into the East Side when the Alamodome and Frost Bank Center were built approximately 25 and 30 years ago. He expressed cautious optimism as the proposed land bridge was an opportunity to undo wrongs such as cutting off the East Side from downtown with the freeway and railroad tracks; the land bridge could be a solution but needed to be community-centric and include bike lanes and walking paths. Councilmember McKee-Rodriguez agreed that the Alamodome needed a facelift but hoped there could still be some improvements to the community around the Frost Bank Center to meet those promises made 25 years ago and requested a master plan for the area. He noted that there was a budget deficit in the FY 2025 Budget and the community was asking what happened as there were priorities such as F streets and basic needs, so he urged staff to proceed with caution.

Councilmember Kaur noted that this was a huge opportunity and Hemisfair Park was the most used park by San Antonio residents but there was a need to bring more of them downtown. She recommended a commitment to more affordable housing downtown, transportation, and infrastructure, and to protect local small businesses from construction obstructions. Councilmember Kaur agreed the land bridge was important but needed to be community-centered. She recommended creating an innovative funding plan that ensured residents did not bear the cost of the project. Councilmember Kaur supported real community engagement with thoughtful feedback.

Councilmember Castillo reminded her colleagues that Hemisfair was created through displacement and urban renewals initially and insisted that no San Antonio resident should pay for the cost of a new arena. She recommended a different approach than the downtown Missions Baseball Stadium and a focus on best practices and ensuring local hospitality and construction workers' needs were considered. She asked how much the infrastructure was estimated to cost the City and expressed concern that downtown new construction was being prioritized over other areas that were blighted. Houston stated that the infrastructure costs were not yet known but would be revealed with the feasibility study.

Councilmember Castillo asked how Bexar County might participate. City Manager Walsh stated that Bexar County could call for a public vote to use Venue Tax which came from hotels and car

rentals. Councilmember Castillo expected construction projects and new hotels to provide a livable wage and recommended utilizing the San Antonio Housing Trust to ensure affordable housing for downtown workers. She warned against displacement of workers and residents.

Councilmember Courage recognized that great cities had great downtowns, and this was a great opportunity, however, there was a lot to consider. He recommended that the growth should pay for the growth. This could be a \$3-4 billion dollar effort over the next 10 years, he calculated, but the City of San Antonio had already lost \$250 million in annual opportunities with an outdated Convention Center. Councilmember Courage noted that most of this revenue went to hotels and businesses but asked how much the City received in sales tax which was only 4%. Councilmember Courage wanted to know how the development would improve the lives of almost 250,000 residents living in poverty, improve homelessness, increase affordable housing, provide better paying jobs. He requested to see real proposed numbers related to the financial return expected to the City for the plan.

Councilmember Pelaez recommended creating a parallel economic development push to bring more businesses downtown in collaboration with our economic development partners.

Mayor Nirenberg noted that this was a City of big dreams and we were willing to work together to execute this and achieve a bold vision for the future. He directed the City Manager to get to work on the project.

City Manager Walsh thanked the City Council for their vision and for providing solid priorities and examples for staff to move forward.

## **EXECUTIVE SESSION**

There was no Executive Session.

## **ADJOURNMENT**

There being no further discussion, the meeting was adjourned at 12:35 p.m.

**Approved**

**Ron Nirenberg  
Mayor**

**Debbie Racca-Sittre  
City Clerk**