

The Downs of Hillcrest NEWSLETTER

April, 2025

March 25 Annual Meeting Report

Highlights of the past year -

- Significant progress reviving the front gatehouse, simplifying its look, planning a marquee sign and ultimately coordinating the landscaping outside and inside the gate
- A rock and pond project along Milford correcting spots of breakage and erosion
- A new website with event calendar, news, important documents and forms (www.downsofhillcrest.com)
- A final report from Council Member Jaynie Schultz as she prepares to retire from the City Council, with thanks from The Downs for her service
- Welcoming six new resident families in the past year
- Thanks to the many residents who plan parties and book clubs and lunch outings, who advise on common area upkeep and landscaping, who plant flags to celebrate holidays. It does take a village, and we are one.
- Board election: Melissa Mitchell has retired from six years on the Downs Board with hearty thanks for all her work in countless areas. Larry James was re-elected and Richard Verret was also elected, both to two year terms.

2024 In Review Financial Report, Larry James

- In 2024, the combined total income of the Operating and Reserve accounts was \$877.1K, and total expenses were \$896.5K.
- The Operating Account ended the year with Net income of \$53, essentially breakeven.

- The Reserve Account, on the other hand, had a loss of \$19.4K, even though \$60K was transferred to it from the Operating Account. In 2024, there were two expense items in the Reserve Account:
 - First, as planned, we completed dredging of the waterway along Milford, at a cost of \$31.6K, \$8.4K below the budget of \$40K.
 - The reason the Reserve account ran a loss in 2024 was that we made a decision to start the “Rock Project.” That’s the nickname given to the multi-year rebuilding of some of the banks along our waterways, which are 35+ years old. The total project is estimated to cost at least \$173K and will be spread over a number of years. The vendor had some flexibility last year, and by the Downs agreeing to do a large \$58.6K segment of the project in November, we were able to save \$10K. So we went ahead with this unbudgeted item, even though we knew it would result in a modest loss in 2024. The area completed last year is the waterway along Milford, which extends almost to our northern property line.
- Turning to the Operating Account:
 - Legal Expenses were \$79.0K in 2024, \$54K over budget. Legal expenses associated with the 1 Coventry matter were \$69.9K. (Including legal expenses incurred in January and February 2025, the HOA’s cumulative net legal expenses associated with the One Coventry matter are \$328.3K.) The HOA has recouped legal fees associated with this matter in the past, and we expect to recoup a portion of them in the future. To provide some historical perspective, prior to the 1 Coventry matter, the Downs legal expenses averaged about \$4K per year.
 - Milder weather last year helped us in two ways:
 - First, Utilities were \$144K, the lowest level since 2021, providing a \$33.9K plus to the budget.
 - Second, Landscape Maintenance was \$22.5K favorable.

- Pump Maintenance, on the other hand, was \$20.8K over budget, as we had to replace 4 pumps last year, at an average cost of \$10.8K per pump.
- The Downs Cash Balance at the end of 2024 was \$689K and Total Equity was \$330K, up \$6K from prior year.

2025 Budget

- The assessment was increased 10% in 2025. That was the first increase in two years and will result in \$86K of additional income this year.
- The Transfer Fee Amendment passed in December 2024 with 75% support from the 74% of Downs residents who cast ballots. It was implemented after the 2025 budget was set, so revenue from it will be a plus to the 2025 budget.
 - Historically, in an average year, about seven home sales take place in the Downs. Based on that, the Amendment could provide about \$40K of additional income for the reserve account this year, which can be used for infrastructure projects in the future.
- The 2025 Operating budget was set at breakeven, with total expenses of \$961K, including a planned \$48K contribution to the reserve account. Below are the major expense categories and their percent of the total budget:
 - Landscape, Irrigation, and Infrastructure 44%
 - Gate House and related 24%
 - Utilities 17%
 - Reserve contribution 5%

Discussion re One Coventry

Tom Schober recapped the

on-going legal disputes:

1. After the Court of Appeals ruled in favor of the HOA and denied One Coventry's petitions, One Coventry then submitted two petitions to the

Supreme Court of Texas. Both parties have submitted briefs and we are waiting for the Court's ruling before we decide how to proceed.

2. After 3 Coventry lost in the district court, they submitted a petition to the Court of Appeals. Both parties have submitted briefs and we are waiting for the Court's ruling before we decide on next steps.

Tom also addressed an offer that Moshe Feldhendler sent to members of the community last month proposing a "new" agreement, to remove One Coventry from the HOA as a resolution to the One Coventry dispute. Key points from that discussion:

1. The Feldhendlers made a similar offer in the summer of 2024, and discussions took place between One Coventry's legal and the HOA's legal. The Board considered this offer, but when One Coventry's legal stopped responding to queries, the Board concluded the offer was inadequate and unacceptable and did not pursue it any further.
2. Tom reviewed a few key aspects of the offer:
 - a. Offer to pay residents \$1000/household to vote to remove One Coventry from the HOA
 - i. Viewed by residents as insulting and an attempt to purchase votes
 - ii. NOTE: During the meeting, Moshe increased his offer to \$2000/household
 - b. HOA to deed over HOA land to One Coventry
 - i. No offer to compensate for the land
 - c. Offer to dismiss current One Coventry litigation against the HOA
 - i. Leaves door open for future litigation and by eliminating the current lawsuit, and the settlement agreement, it dissolves the agreement that grants the HOA the right to recover legal costs, fines and related fees.
3. Tom's conclusion: the offer from Moshe Feldhendler is not a good financial deal for the neighborhood and is very one sided.

4. With current legal action pending, it was made clear that any discussions between One Coventry and the HOA need to be communicated through each party's legal counsel.

Area Real Estate Developments

A handful of Downs

residents watch real estate news and transactions near our community. The former Episcopal Church on Hillcrest just south of Hillcrest Plaza Drive is now owned by **Mercy Presbyterian Church**. The former Brinker International buildings – all three of them – are slated to become the new home for **Trinity Bible Church** (see renderings of building plans at trinitybible.org). One more property, at LBJ and Hillcrest on the southeast corner, has been bought by **H.E.B.**, which hopes to change zoning to allow a large grocery store on its 10 acre site.

Regarding H.E.B., one community meeting has been held to introduce H.E.B.'s idea and gather feedback, and another will follow this spring. Downs residents will be notified of the date, time and place for this meeting, and are encouraged to attend. Neighborhoods north and south of LBJ are watching developments, with the small single family residential neighborhoods to the south of the H.E.B. site most invested. When we see the “finished” proposal this spring, that will be the time for neighborhoods to decide their stance. Want to join the “watch” group? Contact Tory Agnich at tory@agnich.com.

Downs Social Events for the Spring

Remember that

Punchbowl is your window into social events. Watch for Punchbowl emails!

April 13 4-5:30pm The First Ever Second Sunday Social

Happy Hours in The Downs are turning into Second Sunday Socials. Happy Hours were a Covid era invention to get us out of our shutdown fatigue. Now we're reinventing the idea. Socials will occur on the second Sunday of every month, 4:00-5:30 pm, throughout the year. These will be informal monthly gatherings at neighbors' homes to unwind and catch up with friends.

For our inaugural event, residents are invited to gather at Tory and Dick Agnich's home located at 11 Cheltenham Way, on April 13, 2025. We'll enjoy delicious homecooked snack food and a variety of beverages including zero-calorie, fruity choices, soft drinks, beer, and wine. Weather allowing, we'll be out on the patio. We know that day is Palm Sunday and the Final Round of the Masters Golf Tournament, but we hope you will have time to come nonetheless! (The Agnich TV will be tuned to the golf tournament.) RSVP if you know you're coming, but please come even if you don't RSVP. We hope to see you there!

May 3 is Kentucky Derby Day

The party will gather at Connie Engel's at 4:30pm to gear up for the big race. Who will have the most outrageous hat this year? Punchbowl will deliver details.

Book Clubs and Lunch Bunches Continue

Men's and Women's Book Clubs meet most months on the last Thursday of the month, beginning at 3pm. Linda and Bill Perry coordinate these gatherings. Punchbowl brings you the location and hosting resident.

Men's and Women's Lunch Bunches also continue monthly, the men meeting on 3rd Thursdays and the women on 1st Thursdays. Write the dates on your calendar and watch for Punchbowl invites for the location. Dianne Doggett and Gary Fagelman are the organizers.

Downs Social Connection Makes Everything Happen

Without the Downs Social Connection, this would be a really quiet, impersonal, anonymous place. Our volunteers create costume parties, races, scavenger hunts, book and lunch groups, street parties, car shows, special outings. They plan, run errands, shop prices, decorate, clean up and do it all over again several months later. Be sure to thank them, next time you check in to an event...or better yet, come join them.

Spring Cleaning for your Downs Contact Information:

Three Places to Check Your Contacts

downsofhillcrest.com, maintained by the HOA, has a Resident Directory listing name, address, email and 2 phone numbers. When you log in for the first time, residents are prompted to check your directory information and make edits if you want changes made there.

The **paper Downs of Hillcrest Directory** with map and cross references comes out in the spring. This expanded version of the Directory, listing contact numbers, also children and pets, is produced with care each spring by Larry James and hand delivered to your mailbox. You have just received a flyer asking for your edits for the information held there.

Finally, SBB Community Management maintains a portal for doing HOA business (owner@sbbmanagement.com) which has its own contact list for residents, for HOA business and notifications. If you are not receiving those emails, contact a.beene@sbbmanagement.com to change their list.

This newsletter is written following Downs Board meetings. Next one will be later this spring. Edited by Tory Agnich