

# AGENDA

## HOUSTON FIRST CORPORATION

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**BOARD OF DIRECTORS MEETING**  
**January 28, 2021 – 3:00 P.M.**  
**Live Video and Audio Conference Meeting**  
**Join the Meeting [Here](#)**  
**Meeting Room Password: 029894**

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**BOARD MEMBERS:**

*David Mincberg (Chair), Desrye Morgan (Vice-Chair), Sofia Adrogué, Elizabeth Brock, Nicki Keenan, Reginald Martin, Ryan Martin, Alex Brennan-Martin, Paul Puente, Bobby Singh, Tom Segesta, Gerald Womack, Jay Zeidman, Council Member Dave Martin, Ex-officio, Council Member David Robinson, Ex-officio*

*In accordance with the modified Texas Open Meetings Act provisions announced by Texas Governor Greg Abbott on March 16, 2020, this Agenda is posted for public information, at all times, for at least 72 hours preceding the scheduled time of the meeting online at <https://www.houstonfirst.com>.*

*Any questions regarding this Agenda, should be directed to Lisa K. Hargrove, General Counsel at either 713.853.8965 or [Lisa.Hargrove@houstonfirst.com](mailto:Lisa.Hargrove@houstonfirst.com)*

*Code of Business Conduct and Ethics* – *As a reminder, under Houston First Corporation's Code of Business Conduct and Ethics Policy, if you have a potential conflict of interest that you have not previously disclosed relating to a transaction or arrangement being discussed or voted on, you should notify the Chair and refrain from voting on the transaction or arrangement and recuse yourself from the discussion on the matter at hand. You should have received a copy of the Policy, but if not, let us know and we will provide one for you.*

- I. Call to Order**
- II. Public Comments**
- III. Minutes – December 17, 2020**
- IV. Presentations, Reports, and Updates**
  - A. Houston First Chairman Report
  - B. HFC Acting President & CEO Report
  - C. Financial Report
  - D. Legislative Preview
- V. Adjourn**

**III. Minutes – December 17, 2020**

# MINUTES

## HOUSTON FIRST CORPORATION

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**BOARD OF DIRECTORS MEETING**  
**December 17, 2020 – 3:00 P.M.**  
**Live Video and Audio Conference Meeting**

*The Board of Directors (“Board”) of Houston First Corporation (the “Corporation” or “HFC”), a Texas local corporation created and organized by the City of Houston as a local government corporation pursuant to TEX. TRANSP. CODE ANN. §431.101 et seq. and TEX LOC. GOV’T. CODE ANN. §394.001 et seq., held a meeting via Live Video and Audio Conference on Thursday, December 17, 2020, commencing at 3:00 p.m.*

*In accordance with the modified Texas Open Meetings Act provisions announced by Texas Governor Greg Abbott on March 16, 2020, this Agenda was posted for public information, at all times, for at least 72 hours preceding the scheduled time of the meeting online at <https://www.houstonfirst.com>.*

*The following Board members participated in the meeting: David Minberg (Chair), Desrye Morgan (Co-Chair), Sofia Adrogué, Nicki Keenan, Ryan Martin, Alex Brennan-Martin, Paul Puente, Tom Segesta, Gerald Womack, Jay Zeidman, Council Member Dave Martin, Ex-Officio, and Council Member David Robinson, Ex-Officio.*

1. **Call to Order.** The Chairman called the meeting to order at 3:01 p.m. and a quorum was established, with all Board members virtually present. Ryan Martin and Paul Puente were not present.
2. **Public Comments.** None.
3. **Review and approval of minutes from prior meeting.** Following a motion duly seconded, the meeting minutes of November 19, 2020 were approved as presented.

Ryan Martin and Paul Puente arrived.

4. **Presentations and Reports.**
  - A. **Houston First Chairman Report.** The Chairman announced that he attended the Alley Theatre Christmas tree lighting event and recognized fellow Board Member, Sofia Adrogué, for her attendance. Houston First Corporation (“HFC”) was delighted to host the event for the Alley Theatre at the George R. Brown Convention Center (“GRB”). The Chairman explained that the event was the first public event he has attended in seven or eight months and while it felt unusual, the event team did a fine job.

The Chairman informed the Board that, following discussions with Mayor Sylvester Turner, and at his direction, he has asked the Vice Chair, Desrye Morgan, to suspend the selection committee's evaluation of an executive search firm in connection with a national search for a permanent President & CEO. The Chairman thanked the Vice Chair and the selection committee for the amount of work done in preparation and response to the RFP. He also announced that Michael Heckman will continue to serve as Acting President & CEO.

The Vice Chair thanked everyone for their patience and explained that in light of uncertainties, it was necessary to postpone the selection process. She thanked the members of the selection committee for their time and effort in reviewing 36 proposals as well as the participants that submitted proposals. The Vice Chair thanked the Chairman and Mayor Turner for their leadership and stated that HFC will continue to monitor the situation and make any necessary adjustments going forward.

**B. HFC Acting President & CEO Report.** Michael Heckman began his report with a convention update. He explained that he continues to monitor the on-going health crisis and any information regarding deployment of the COVID-19 vaccine. Based on the information provided, he said, everyone who is interested in taking the vaccine will be able to do so in March or April of 2021, which is vital for the return of conventions and travel. He added that the National Rifle Association (NRA) has announced that they will move their convention from May to Labor Day in order to gain more attendees. He also shared an excerpt from an article in the Houston Business Journal regarding the NRA event and its potential to assist the struggling convention and hospitality industry. He noted that HFC also has a new business opportunity with a Fortune 100 company looking to host a convention in Houston in late-2021. Additionally, he said, the Houston Film Commission is working on two significant film projects for the first half of 2021, including an eight episode streaming series produced by A24 Productions as well as a film opportunity with the Lifetime Network.

Mr. Heckman also recognized Board Member Paul Puente for his help in facilitating the America Starts with Tradeshows event to highlight the difficulties that trade groups and their workers face due to COVID-19. He noted that the event was held at the GRB and Mayor Sylvester Turner spoke and called upon Congress to assist those in need.

Mr. Heckman went on to say that the Marketing team, in partnership with Apple Music, helped to promote recording artist Megan Thee Stallion with a 2D simulcast projected in downtown Houston. The Director of Marketing, Holly Clapham, explained that the image was promoted via Apple Music's streaming service, YouTube, and various global syndications. She noted that Apple Music is the second largest global streaming service with 75 million subscribers and Megan Thee Stallion's 20-minute performance included images of Houston such as Texas Southern University and Houston's Third Ward. Mr. Heckman also stated that the Marketing team was able to shoot a behind the scenes video to promote on Visit Houston's social media channels.

Mr. Heckman concluded his report by explaining that HFC will move forward with the Business Plan approved for 2021 and continue to work with Boston Consulting Group. Another key priority for the organization, he noted, is to improve communication with all stakeholders and work jointly with the Greater Houston Convention & Visitors Bureau on new initiatives in 2021.

Ryan Martin congratulated staff on working with Apple Music to promote Megan Thee Stallion.

Gerald Womack stated that he contacted the Vice Chair regarding concerns with the solicitation for an executive search firm while HFC employees were being laid off. He also requested an update on diversity within personnel and additional information on a celebration for employees leaving the organization in the coming month. Mr. Womack explained that it is important for him to have a full understanding of personnel matters and for employees to feel somewhat at ease. Mr. Heckman stated that he appreciates Mr. Womack's commitment to HFC employees during these uncertain times. He said he will continue to evaluate those employees on furlough and conduct an evaluation of diversity within the entire organization.

The Chairman requested that Mr. Heckman and the Director of Human Resources, Tim Moyer, organize a phone call with Mr. Womack to address any questions he may have.

C. Financial Report. HFC Chief Financial Officer, Frank Wilson, provided a brief financial report. For the month of October, he explained, HFC has spent \$447,855 with diverse partners and, in the aggregate, HFC has spent \$42 million with a total diversity spend of \$14 million through October or 34% of HFC's total spend. Through November, he added, diversity spend is \$16 million or 32% of HFC's total spend.

Mr. Wilson announced that HFC has received an additional \$1.4 million in FEMA reimbursements due to Hurricane Harvey, bringing the total funds received by HFC to \$116.7 million. Additionally, he said, HFC received a grant in the amount of \$85,000 from the City of Houston Music and Musicians Venues Economic Relief Program for Wortham Theater thanks to the diligence of the Director of Strategic Planning, Susan Tucker. Mr. Wilson said that HFC received an additional \$158,906 of COVID relief funding from the City of Houston for a total of \$3.1 million. The COVID relief funds, he noted, must be spent by December 30, 2020 and have been used for upgrades to facilities, sanitation equipment, advertising and research to target ad spend.

Hotel and occupancy tax (HOT) collections for the year, according to Mr. Wilson, are projected to be \$53 million. Given the uncertainty of vaccine adoption, he added, in 2021 HFC has budget a small increase of 5.3%. He went on to say that GRB food and beverage revenues are \$8.9 million for the year and expenses will be approximately \$7.2 million, parking revenues are projected at \$8 million, and GRB rental revenue will finish the year at approximately \$1.9 million. Through November, he said, most expenses were near or below budget, though there is a variance in personnel costs due to the loan received by HFC for the Paycheck Protection Program in the amount of \$4.2 million. Mr. Wilson stated that HFC will continue to monitor any additional legislation that is passed that will provide additional funds from the PPP.

Ryan Martin stated that it is great to see some additional progress for the arts industry and that HFC is doing any and everything it can to be a true partner to the arts. Gerald Womack also thanked Mr. Wilson for the increase in diversity spend in addition to the overall financial report.

5. **Board Business**

A. *Consideration and possible approval of a Landscaping Services Agreement with Western Horticultural Services, LP.*

The Chairman introduced the item and then called for a motion that was duly seconded before there was further discussion.

Mitch Miskowski, Purchasing Agent, then gave a presentation of the landscaping services solicitation process. Mr. Miskowski stated that landscaping services is not a large contract for HFC, but appearances matter in maintaining the exterior of HFC facilities. He then discussed the solicitation timeline, advertising, and evaluation criteria and said that the selection committee consisted of members of HFC staff and the operations director at Discovery Green. He noted that all diversity materials were reviewed separately by Development Specialist Manager, Roger Harris. Mr. Miskowski said HFC received a total of eight proposals and Western Horticultural Services, LP (“Western”) received the highest score. Mr. Miskowski informed the Board that Western is a Houston-based company that serves Discovery Green and various HP campuses. He added that the selection committee was concerned with the reliability of staff due to high turn over under the previous contract and noted that Western maintained a proven track record of retaining staff.

Gerald Womack asked for clarification of the diversity goal set on the agreement. Mr. Miskowski confirmed that the diversity goal is 20% and Mr. Harris added that Western received the maximum number of points in this category.

Following a motion duly seconded, the approval of a Landscaping Services Agreement with Western Horticultural Services, LP was approved unanimously.

6. **Adjournment.** The Chairman recognized HFC staff for overcoming a tumultuous year. He noted concern for all employees that were laid off and furloughed, as well as the additional work done by remaining staff to maintain operations in the most difficult of times. He also recognized members of the Board for all their hard work and wished everyone a Happy Holidays. The meeting was adjourned at 3:35 p.m.

Houstonfirst™

HOUSTON FIRST CORPORATION

# BOARD OF DIRECTORS MEETING

**LIVE VIDEO & AUDIO  
CONFERENCE MEETING**  
Thursday, January 28, 2021  
3:00 p.m.

Houston Arboretum & Nature Center  
MEMORIAL PARK

McGovern Lake  
HERMANN PARK  
Photo by Nash Baker

# PUBLIC COMMENTS

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Anyone who wishes to address the Board during the Public Comment session may do so by clicking the **“Raise Hand”** icon to be acknowledged. You may also click the **Q&A** icon to type in your comments.

## HFC BOARD OF DIRECTORS MEETING

January 28, 2021

Houstonfirst



North Houston Skatepark  
SPRING



3 HFC BOARD MEETING

# MINUTES

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December 17, 2020

**HFC BOARD OF DIRECTORS MEETING**  
January 28, 2021

Houstonfirst



Smither Park  
GREATER EAST END

4 HFC BOARD MEETING

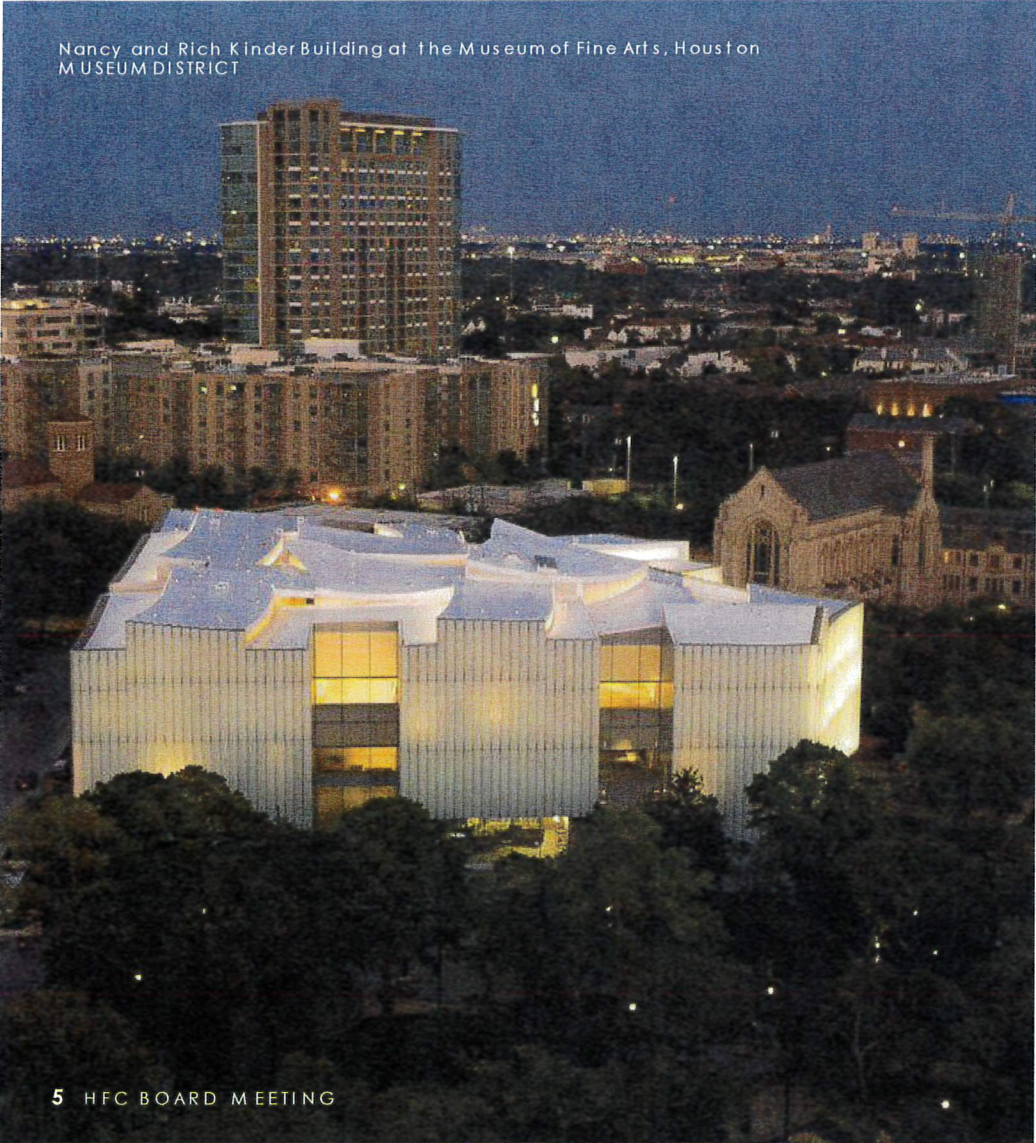
# HOUSTON FIRST CHAIRMAN'S REPORT

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DAVID M. MINCBERG

**HFC BOARD OF DIRECTORS MEETING**  
January 28, 2021

Houstonfirst



Nancy and Rich Kinder Building at the Museum of Fine Arts, Houston  
MUSEUM DISTRICT

HOUSTON FIRST  
**ACTING PRESIDENT  
& CEO REPORT**

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**MICHAEL HECKMAN**

**HFC BOARD OF DIRECTORS MEETING**  
January 28, 2021

5 HFC BOARD MEETING

**Houstonfirst**

ACTIVITIES FOR

# BLACK HISTORY MONTH

- **Website and Social Media**
  - African American Heritage Sites
  - Black Owned Restaurants Roundup
- **Digital Signage at Facilities**
- **BLCK Market @ Avenida**  
Saturdays 1–5 p.m.
- **Internal Communications**
- **Curated Art at Partnership Tower**





George R. Brown Convention Center  
DOWNTOWN

# EVENTS AT GRB

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**Thanksgiving  
Feast 2020**  
11/26/2020

**Christmas  
Feast 2020**  
12/24/2020

**Encore  
Championships**  
12/19-20/2020

**Bridal  
Extravaganza**  
1/9-10/21

**COH Vaccination  
Distribution**  
12/31/20-1/8/21  
& 2/1-10/21

# CONVENTIONS UPDATE

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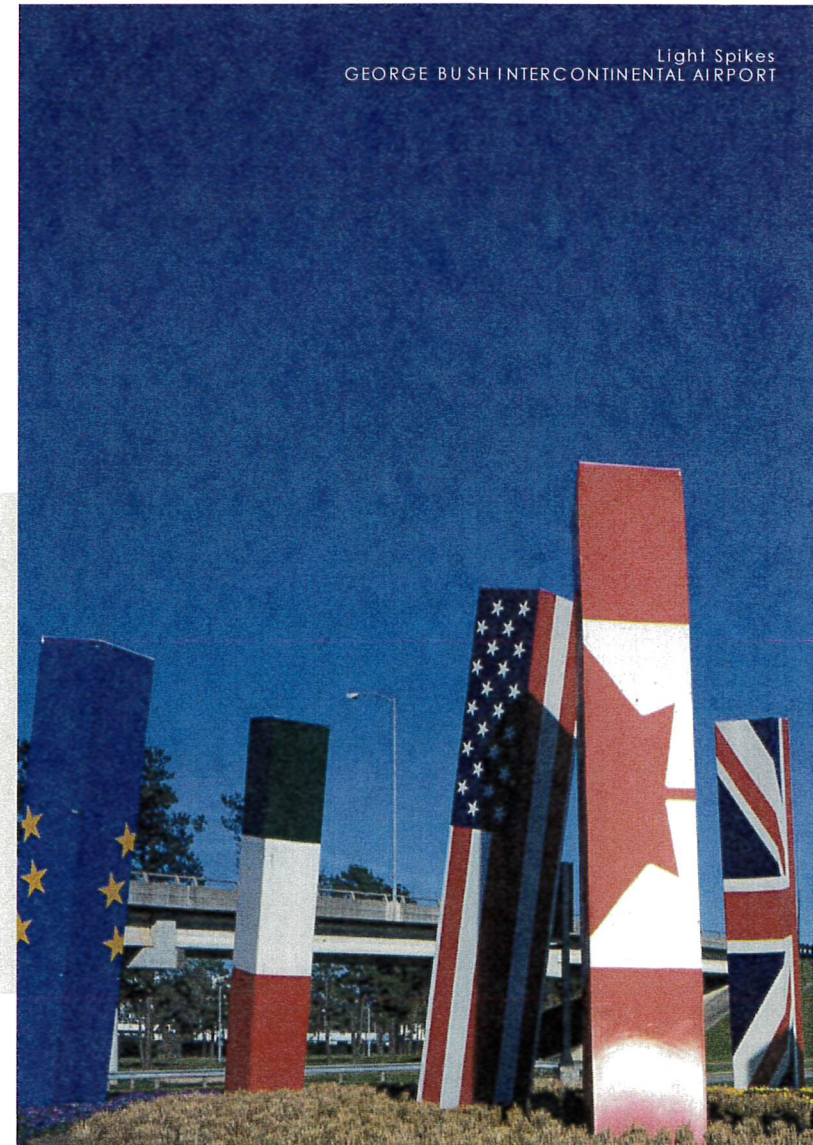
- Trends Continue to Hold
- 16 Citywide Conventions Scheduled July – December
- 12 in 2019 During Same Period
- Relocations from Other Cities
- Lead Volume Increasing Month Over Month



# DESTINATIONS INTERNATIONAL VISIT

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- CEO, Don Welsh
- Landscape for U.S. Cities
- Opportunity for Houston



# CRM Customer Relationship Management

## HOW IT WORKS:

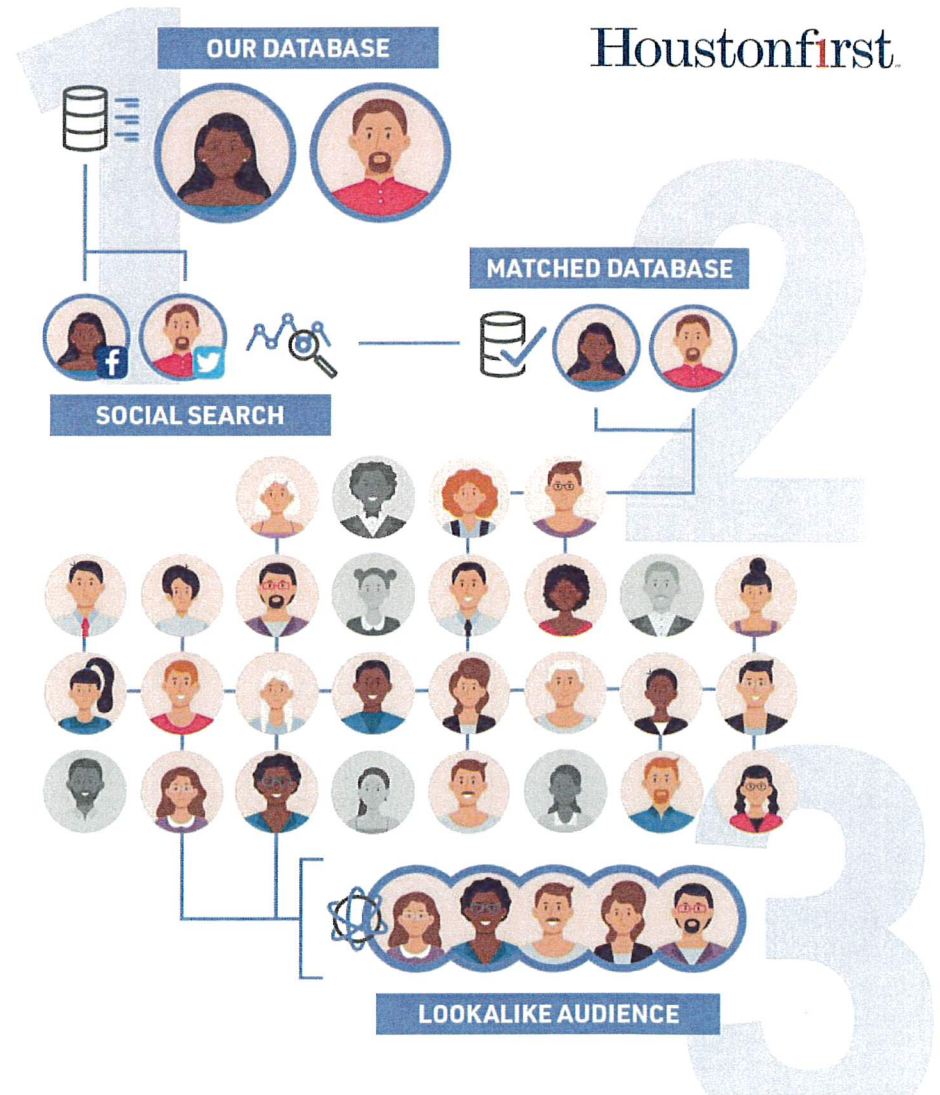
Houston First-supplied emails and phone numbers are uploaded into Facebook and Twitter. Those details are matched with Facebook and Twitter profiles to create the **Matched Database**.

The Matched Database is used to build **Looklike Audiences** in cities of interest.



Creative units are served to both the **Matched Database** and **Looklike Audiences** within the social networks.



At this point, the **live dashboard** collects the data that comes in on the campaign. Different marketing metrics are captured by interest group (Prospect, Tentative and Confirmed interest groups) and adjustments can be made to creative or media based on reporting.






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Written by Powerplay Media Solutions 17 · 5d



The global spotlight is on Houston. This culinary powerhouse, cultural capital and innovation hub is back in business.



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
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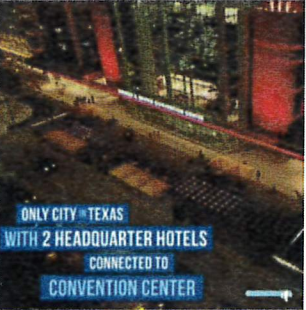
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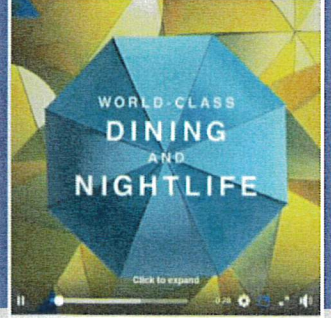
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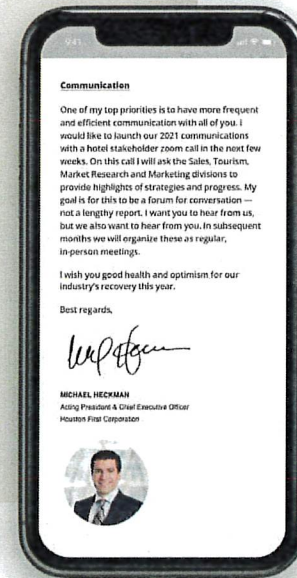
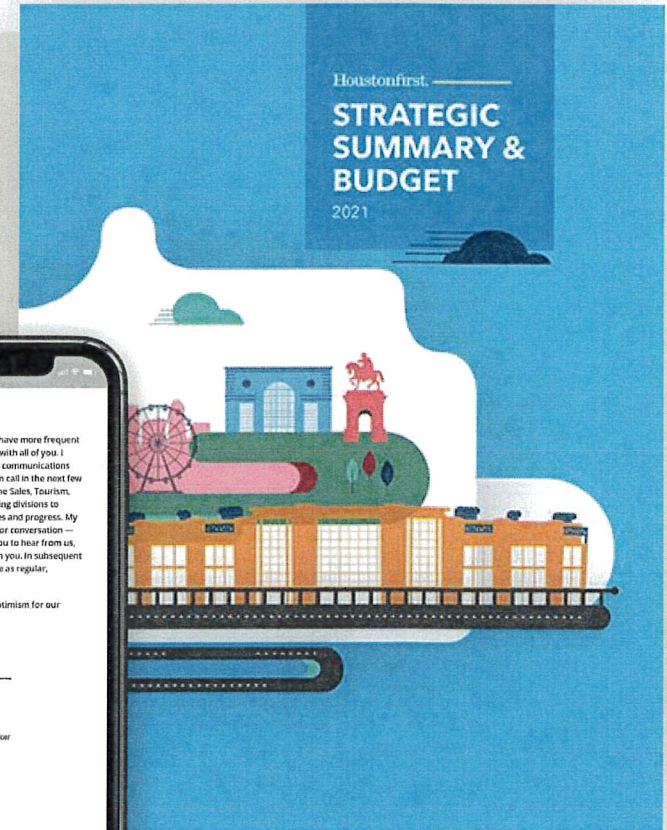
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# COMMUNICATION WITH HOTELS

- Email with 2021 Strategy
- Organizing Virtual Meeting – Followed by Regular Meetings
- Forums for Discussion



# PRIORITIES



Execution of Strategy



Process for Brand Unification



Stakeholder Engagement

# THANK YOU

FOR YOUR YEARS OF SERVICE



**ELODIA CASTRO**  
Maintenance Supervisor,  
Miller Outdoor Theatre  
22 YEARS



**RICK FERGUSON**  
Senior Vice President,  
Film Commission  
32 YEARS



**JOEY GRANADO**  
Senior Convention  
Services Manager  
31 YEARS



**ROB JACKSON**  
Chief Policy  
Officer  
35 YEARS



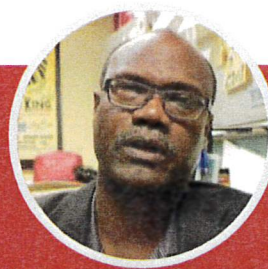
**JIM LABADIE**  
National  
Account Executive  
9 YEARS



**VERONICA MCCLELLAND**  
Senior Convention  
Services Manager  
29 YEARS



**PATTI OLSON**  
Administrative Assistant,  
Client Services  
48 YEARS



**REGINALD RANDOLPH**  
General Manager,  
Theater District Parking  
30 YEARS



**GLORIA SALINAS**  
Accounting  
Manager  
27 YEARS



**BRENDA SCOTT SAVAGE**  
Director of  
Membership  
7 YEARS



**RUTH TRAHAN**  
Accounts Payable  
Specialist  
18 YEARS

CityCentre  
MEMORIAL

# HOUSTON FIRST FINANCIAL REPORT

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**FRANK WILSON**

*Chief Financial Officer*

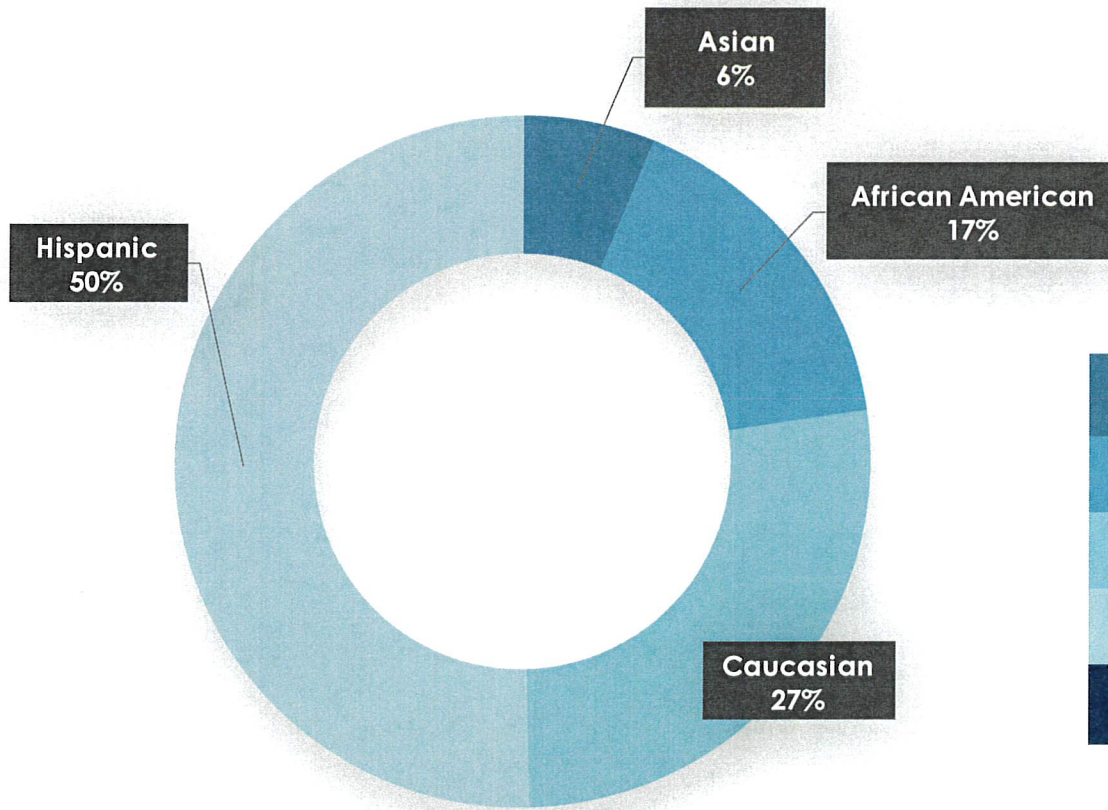
**HFC BOARD OF DIRECTORS MEETING**

January 28, 2021

**Houston**first

# 2020 DIVERSITY UPDATE

MONTH OF DECEMBER 2020

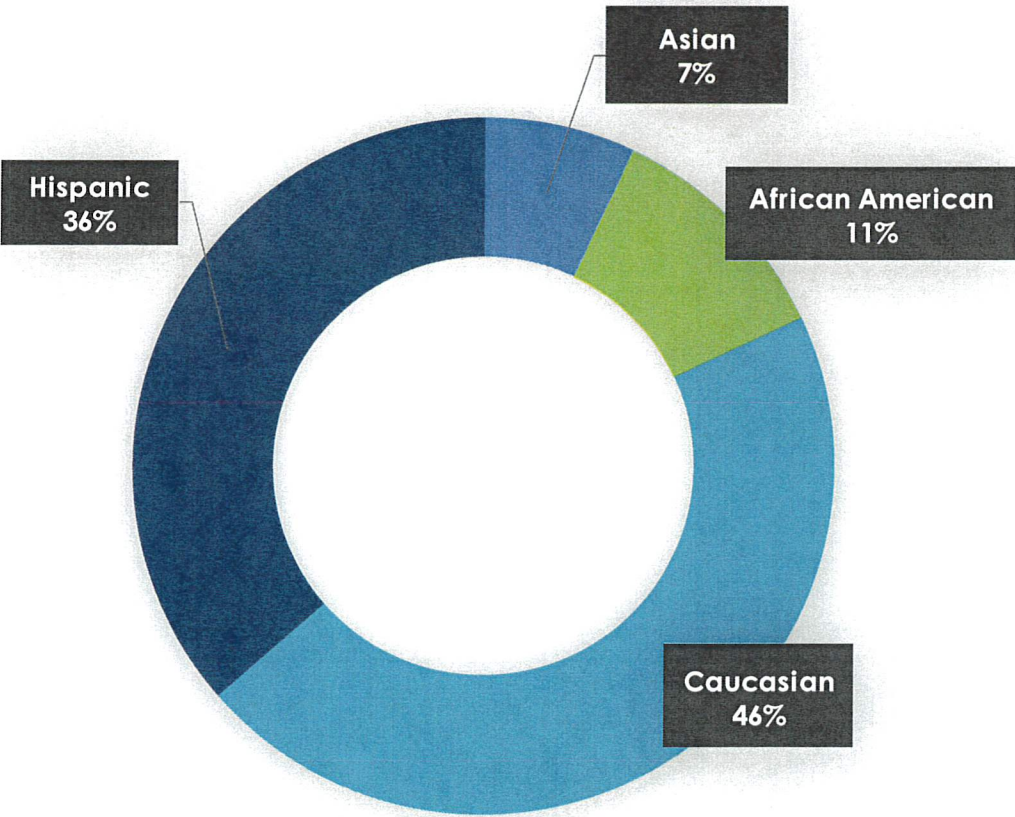


HFC spent \$1.2 M with diverse partners during the month of December.

Asian	\$ 77,607
African American	211,403
Caucasian	344,009
Hispanic	644,503
<b>TOTAL:</b>	<b>\$ 1,277,524</b>

# 2020 DIVERSITY UPDATE

YTD THROUGH DECEMBER 31, 2020



## 2020 Diversity Spend: 33%

*In thousands*

Asian	\$ 1,245
African American	1,905
Caucasian	7,861
Hispanic	6,290
<b>TOTAL:</b>	<b>\$ 17,301</b>

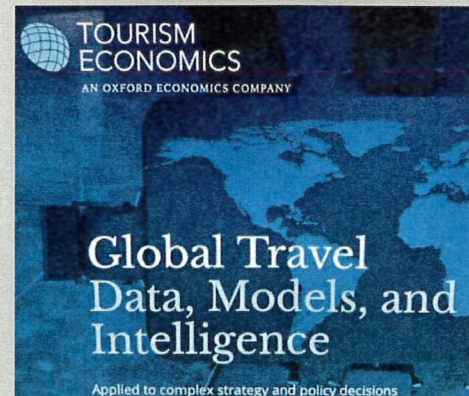
# RECENT UPDATES

## PPP LOAN APPLICATIONS

- On last Tuesday applied for \$2 M second draw PPP forgivable loan for CCSI.
- On Monday applied for a first draw PPP loan for the Hilton Americas – Houston.
- Pursuing other grant opportunities.

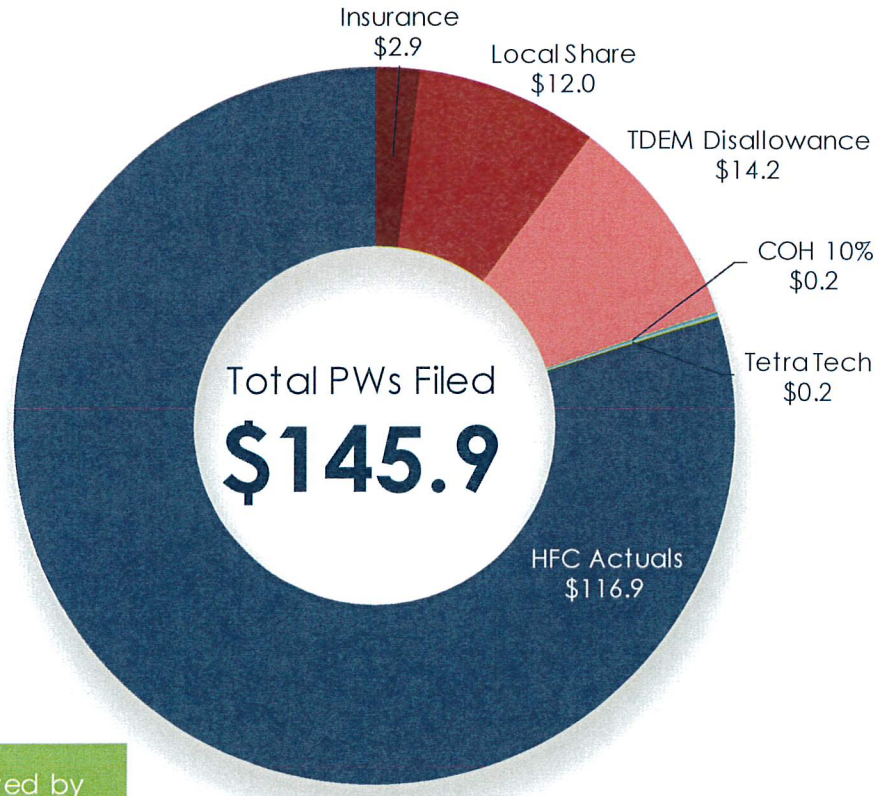
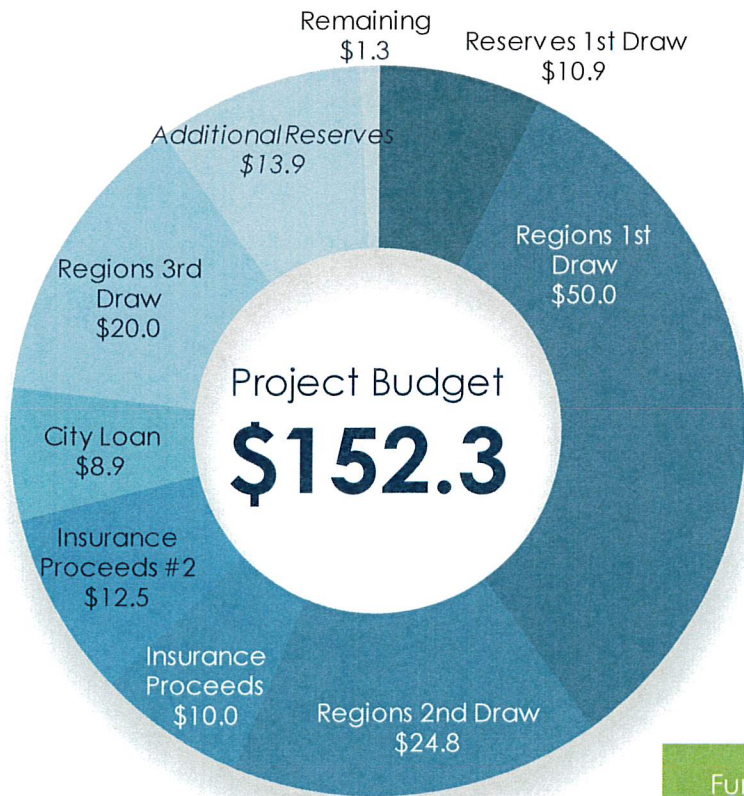
## FINANCIAL FORECASTING

- Finance has begun working with VP of Revenue and Market Strategies Cindy Decker and IT on the design and configuration of a new forecasting tool, Symphony.
- Tool purchased with CRF Grant funding, and will combine in-house financial data with leading economic data from numerous sources, including Oxford Economics.
- Expect to begin using this tool in late February for monthly revenue projections.





# HARVEY RECOVERY PROJECT



Funds received by City as of Jan 2021  
**\$117.3 M**

# EVENT TRUST FUND

- **STATE EVENT TRUST FUND:** To help attract large citywide convention meetings to Texas, the State of Texas operates the Event Trust Fund.
- Eligible costs include: transportation, hosting fees, rental of certain equipment, etc.
- We expect to receive more than \$800 K this month for groups hosted in 2019.
  - First Championship, \$540 K; ICCA, \$66 K



GOVERNOR GREG ABBOTT  
ECONOMIC DEVELOPMENT & TOURISM

# HFC YEAR-END FINANCIAL FORECAST

YTD AS OF  
DECEMBER 31, 2020

## PRELIMINARY

REVENUES	2020 FORECAST	2020 REVISED BUDGET	DIFFERENCE <i>(forecast - rev. budget)</i>
Hotel Occupancy Tax	\$ 54,749,835	\$ 52,630,000	\$ 2,119,835
Venue Revenue	26,001,548	25,017,823	983,725
Parking	9,926,614	8,234,858	1,691,756
Net Available Pledged Rev. Transfer	41,476,484	12,245,480	29,231,004
Other	4,071,723	5,375,023	(1,303,300)
<b>TOTAL REVENUES</b>	<b>\$136,226,204</b>	<b>\$103,503,184</b>	<b>\$ 32,723,020</b>
EXPENSES			
Personnel	\$ 18,671,807	\$ 20,029,632	\$ (1,357,825)
Advertising & Promotion	2,450,197	2,262,324	187,873
Travel Promotion & Events	867,770	147,135	720,635
Facility Maintenance	4,304,442	4,815,917	(511,475)
Food & Beverage	6,996,557	6,725,000	271,557
Janitorial	2,201,173	3,059,926	(858,753)
Security	3,346,949	3,262,993	83,956
Insurance	5,019,366	5,024,055	(4,689)
Parking	1,735,425	1,769,737	(34,312)
Capital Spending	5,240,164	3,821,691	1,418,473
Debt Service	59,512,761	59,276,037	236,724
COH Contractual Obligations	12,048,376	11,088,758	959,618
Other	15,865,581	17,772,521	(1,906,940)
<b>TOTAL EXPENSES</b>	<b>\$138,260,568</b>	<b>\$139,055,726</b>	<b>\$ (795,158)</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ (2,034,364)</b>	<b>\$ (35,552,542)</b>	<b>\$ 33,518,178</b>

Texas Capitol  
Austin, Texas



22 HFC BOARD MEETING

# HOUSTON FIRST LEGISLATIVE PREVIEW

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**JONATHAN NEWPORT**

*Vice President of Public Policy*

**HFC BOARD OF DIRECTORS MEETING**

January 28, 2021

**Houstonfirst**

# ADVOCACY OVERVIEW

**RESPONSIBILITY:** Advocate on behalf of Houston's hospitality industry before local, state, and federal officials

## PARTNER ORGANIZATIONS



# PRIORITIES FOR 87<sup>TH</sup> LEGISLATURE



## Protect Critical Funding Sources

- HOT
- Event Trust Funds
- State HOT for tourism promotion
- State film incentives



## Visitor-Friendly Texas

- Embrace technology
- New methods of travel
- Positive perception of Texas

Houstonfirst™

[www.HoustonFirst.com](http://www.HoustonFirst.com)