HOUSTON FIRST CORPORATION
MINUTES OF HOTEL COMMITTEE
JANUARY 23, 2015

The Hotel Committee of Houston First Corporation (the "Corporation"), a Texas non-profit 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 in the 3rd Floor Executive Board Room, 1001 Avenida de las Americas, Houston, Harris County, Texas 77010, on Friday, January 23, 2015, commencing at 10:00 A.M. Written notice of the meeting including the date, hour, place and agenda for the meeting, was posted in accordance with the Texas Open Meetings Act. The following members participated in the meeting: David Solomon, Robert Sakowitz, and Dawn Ullrich.

Chairperson Solomon called the meeting to order at approximately 10:05 A.M. and a quorum was established.

1. **Public Comments.** There were no speakers who signed up for comments.

2. **Approval of Minutes.** Chairperson Solomon reviewed the minutes of the meeting held on November 4, 2014 and deemed them to be accurate. Since Dawn Ullrich was not in attendance at the November 4, 2014 meeting and Robert Sakowitz was not on the Hotel Committee at that time, a quorum of the Hotel Committee was unable to approve the November 4, 2014 minutes.

3. **Consideration of, and possible adoption of, a Houston First Corporation Hotel Committee Charter.** Lisa Hargrove provided a summary of the proposed Hotel Committee Charter. Following a brief discussion on this item, a motion was made and duly seconded to approve and adopt the Hotel Committee Charter.

4. **Consideration of, and possible recommendation on, the terms for a convention services agreement with aLoft Hotel.** William Franks was in attendance on behalf of aLoft Hotel and gave a presentation on the proposed hotel. Lisa Hargrove provided an overview of the terms of the convention services agreement and Jeff Sachs, on conference call, provided an analysis of the proposal. Committee Member Sakowitz asked that Houston First Corporation's Chief Financial Officer and Jeff Sachs meet to review Trend Hospitality LP's financial information prior to the Houston First Corporation Board meeting on February 5, 2015. Following discussion on this item, a motion was made and duly seconded to recommend this item for Houston First Corporation's Board for review and consideration, subject to the further review and approval of the balance sheet financials for Trend Hospitality by the Chief Financial Officer and Jeff Sachs.

5. **Consideration of, and possible recommendation on, the terms for a convention services agreement with Houston Hotel Partners, LLC for the development of a Le Meridien Hotel in downtown Houston.** Gary Prosterman, of Development Services Group out of Memphis, Tennessee, provided an overview of the proposed plans to redevelop the Melrose Building into a Le Meridien Hotel. After discussion, it was determined that this item be referred back to Houston First Corporation staff for further review and that another Hotel Committee meeting be scheduled before making a recommendation to the Houston First Corporation Board on February 5, 2015.

6. <u>Consideration of, and possible recommendation regarding the Convention Services Policy.</u> This item was pulled from the agenda without discussion or consideration.

7. <u>Hilton General Manager Report.</u> Joe Palmieri introduced the Hilton Hotel staff and provided highlights for revenue, occupancy, catering and record operating margins. He also gave an update on Pappasito's, Starbucks and the move of UPS from the third floor to the first floor of the Hotel. Jacques D'Rovencourt provided an update on the Statement of Operation.

8. <u>Sales Reports.</u> Janice O'Neill-Cox updated the Committee on the Hotel's booking position.

9. <u>COO Report.</u> In Peter McStravick's absence, Dawn Ullrich provided an update on the demolition and construction of Alessandra Hotel and construction of Hampton Inn/Homewood Suites.

The meeting adjourned at approximately 11:43 A.M.

Pamela Walko

Pamela Walko, Secretary