

AGENDA

HOUSTON FIRST CORPORATION

BOARD OF DIRECTORS MEETING

June 23, 2022 – 3:00 P.M.

Partnership Tower, 701 Avenida de las Americas, Suite 200

Houston, Texas 77010

HOUSTON FIRST BOARD ROOM

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, Mayor Pro-Tem Dave Martin, Ex-officio, Council Member Robert Gallegos, Ex-officio

In accordance with the Texas Open Meetings Act, this Agenda is posted for public information, at all times, for at least 72 hours preceding the scheduled time of the meeting on the bulletin board located on the exterior wall of the Houston City Hall building, located at 901 Bagby. The Agenda is also available online at <https://www.houstonfirst.com>.

To reserve time to appear, come to the meeting at least ten minutes prior to the scheduled public session shown on the Agenda.

Any questions regarding this Agenda, or requests for special needs assistance, should be directed to Lisa K. Hargrove, General Counsel at either 713.853.8965 or 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 – April 21, 2022**
- IV. Presentations, Reports, and Updates**
 - A. Houston First Chairman’s Report
 - B. Houston First President & CEO’s Report

V. Board Business

- A. Consideration and possible approval of a job order with ERC Environmental & Construction Services, Inc. for demolition, steel build back, and related services pertaining to the removal of the existing Exhibit Hall A3/B3 airwall in the George R. Brown Convention Center.
- B. Consideration and possible approval of an amendment to the George R. Brown Convention Center Airwall Replacement Agreement between Houston First Corporation and Rob Pelletier Construction, Inc. to furnish and install an airwall in Exhibit Hall A3/B3.
- C. Consideration and possible approval of an Agreement between Houston First Corporation and Superior Building Services, Inc. for the George R. Brown Convention Center Wash and Seal Project.
- D. Consideration and possible approval of a job order with Chamberlin Houston, LLC for the Hilton Americas-Houston Hotel Sixth Floor Ballroom Roof Overlay Project.

VI. Adjourn

III. Minutes – April 21, 2022

MINUTES

HOUSTON FIRST CORPORATION

BOARD OF DIRECTORS MEETING

April 21, 2022 – 3:00 P.M.

Partnership Tower, 701 Avenida de las Americas, Suite 200

Houston, Texas 77010

HOUSTON FIRST BOARD ROOM

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 at Partnership Tower, 701 Avenida de las Americas, Suite 200, Houston, Harris County, Texas 77010, on Thursday, April 21, 2022, commencing at 3:00 p.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 Board Members participated in the meeting: David Mincberg (Chair), Sofia Adrogué, Nicki Keenan, Reginald Martin, Alex Brennan-Martin, Bobby Singh, Tom Segesta, Gerald Womack, Jay Zeidman, Mayor Pro-Tem Dave Martin, Council Member Robert Gallegos, Ex-officio

1. **Call to Order.** The Chairman of the Board called the meeting to order at 3:02 p.m. and a quorum was established.
2. **Public Comments.**

Mr. Willie Gonzalez of Unite Here spoke on behalf of Hilton and Marriott hotel employees, who were present at the meeting. Mr. Gonzalez asked Board Members for an update on the concerns that were addressed at the March Board meeting. Chairman of the Board, David Mincberg, stated that he and Michael Heckman, President and CEO of HFC, have been discussing their concerns. Mr. Mincberg informed Mr. Gonzalez that he could not provide a timeline for a resolution since Hilton and Marriott’s employees are not employed by HFC. Mr. Heckman emphasized that wages are an important matter and HFC is focused on moving forward in a positive direction.
3. **Review and approval of minutes from prior meetings.** Following a motion duly seconded, the meeting minutes of March 24, 2022, were unanimously approved. Gerald Womack, Mayor Pro-Tem Dave Martin, and Sofia Adrogué were not present at the time of the vote.

4. Presentations and Reports.

A. Houston First Chairman's Report. –

Mr. Mincberg reiterated to Board Members that he and Michael Heckman have been in discussion about the important issues brought forward by Mr. Gonzalez on behalf of employees of the Hilton and Marriott hotels. He assured the Board that this matter, and its resolution, are a high priority for HFC.

Mr. Mincberg reported that Top Chef Houston is running every Thursday night and encouraged everyone to watch. Chief Marketing Officer, Holly Clapham, informed Board Members that Top Chef is number two on all of cable television when seen live and is number one post-3 (watched three days after air date) and post-7 (watched seven days after air date) on cable television.

Mr. Mincberg addressed the Board relative to “asks” from individuals and organizations. He stated that Michael Heckman is developing a process for these requests that will be communicated to the Board at a later date.

B. Houston First President & CEO's Report. –

Mr. Heckman stated that the Mexico Mission was a strategic objective for 2022 to reach HFC's goal to be the number one destination for the Mexican traveler by the end of 2023. There were four objectives for the Mexico Mission: generate awareness, connect with clients, develop an experiential activation that is tied to HFC's brand, and amplify HFC's awareness. This year's mission was broader than those of past years. HFC partnered with the City of Houston and the Greater Houston Partnership.

Mr. Heckman then announced that the Mexico Mission, and the signing of the Memorandum of Understanding, garnered a lot of media attention.

Sr. VP of Tourism and Industry Relations, Jorge Franz, stated that it has been two years since HFC's last Mexico Mission trip. Mr. Franz expressed that it is important to get back into the market to let clients, such as tour operators, meeting planners, and travel agencies, know that Houston is open for business.

Ms. Clapham stated that the experiential activation that took place in Monterrey and Mexico City was a mosaic and tapestry of flavor, fashion, and culture, which were all showcased by chefs, a mixologist, a violinist, and Magpies and Peacocks, all from Houston.

Mr. Heckman reported that HFC launched an integrated marketing campaign on April 1, 2022, which will run through 2022 and is set to deliver nearly 200 million impressions. The campaign's goal is to return Houston to the number one destination for the Mexican traveler and that Houston Week will be an annual activation in Mexico.

Sr. VP of Sales and Client Services, John Solis, communicated that one of the key initiatives identified in the 2022 Business Plan is building of the convention pipeline. Mr. Solis reported that the volume of leads is just three percent down from the first quarter of 2019, which is a very strong indicator that business is coming back. He then explained that the volume is back, but the mix of business has changed and bookings are only 12 to 24 months out, with little activity for outlying years. By quarters three and four, the numbers should balance out city-wide.

Mr. Solis reported there were nine city-wide conventions in the first quarter of 2019 and nine city-wide conventions in the first quarter of 2022 indicating that the numbers are back up to where they were pre-pandemic. The Sales team is averaging five site visits a month and the planning sites are strong in 2022.

Mr. Solis concluded by saying that the convention sales travel activity for 2022 is strong and he and his team plan to attend as many tradeshow and conferences as possible in order to fill the pipeline.

Mr. Heckman reported on upcoming events: National Travel and Tourism Week (NTTW) will take place May 1 – May 7 with a Hospitality Industry event happening on May 5th, Asian American and Pacific Islander Heritage Month in May with AAPI Amplified happening on the Avenida on May 14th, 2023, NCAA Men's Final Four happening in Houston April 1 – 3, 2023, with fan events hosted at the George R. Brown Convention Center and Discovery Green, 2022 DE&I Hospitality Industry Internship from Jun 6 – July 28 in collaboration with the Greater Houston Convention and Visitors Bureau, and Tourism Diversity Matters' Apprenticeship Program.

Mr. Heckman concluded by informing Board Members that HFC participated in the Great Places to Work survey and announced that HFC has been certified as a Great Place to Work.

C. Financial Report

Chief Financial Officer, Frank Wilson, stated that the forecasted 2021 budget was \$-27,375,844, but the actual number was \$-15,277,189. Mr. Wilson focused on the major themes for 2021: recovery, federal stimulus funding, additional borrowing for operations, and strong expense management. The largest variance on the revenue side is was the \$4 million contribution for Lynn Wyatt Square that was not forecasted. On the expenditure side, the invoices for Lynn Wyatt Square that were not received as quickly as forecasted.

Mr. Wilson reported the major variance from the original budget was the \$10 million net cash received by HFC from the Hilton Hotel. Hilton management presented their budget in October 2020, but re-forecasted in June 2021 and determined net cash would be \$10 million above their original forecast.

Mr. Wilson stated other revenues not budgeted were the \$2.3 million in shuttered venue operator grant and the \$2.6 million in PPP loans; these were not revenues, but rather reductions in expenses. He then added that Harvey FEMA reimbursements for 2017, which were received in 2021, totaled about \$2.7 million.

Mr. Wilson presented the capital expenditures which included: Lynn Wyatt Square (\$5 million), Hilton (\$1.7 million), George R. Brown Convention Center (\$1 million), Wortham Theater (\$381,000), Jones Hall (\$96,000), Miller Outdoor Theatre (\$20,000), and Parking Garage (\$62,000). Total capital expenditures for 2021 were \$8.46 million.

Mr. Wilson then reviewed total revenues and expenses. The total revenues in 2018 were \$195 million with \$14 million of that from insurance and loan proceeds and total revenues in 2022 are expected to be \$183 million, which is a trend in the right direction.

He illustrated the breakdown of expenses by Operating Expense - \$92 million in 2022 compared to \$55 million in 2021; Debt Service Expense - \$67 million in 2022 compared to \$58 million in 2021; and City of Houston Contract Obligation Expense - \$17 million in 2022 compared to \$13 million in 2021.

Mr. Wilson informed the Board that \$26 million in sub-notes will be due in 2024 and another \$19 million in 2026, along with the \$125 million Hilton loan.

Mr. Wilson stated the themes for 2022 returns to large meetings, and to 2019 ADRs, occupancy, and RevPAR revival. He reported that 2022 revenues have outperformed budget by \$3.3 million and expenses have been below budget by \$4.9 million. He also added that HOT is \$600,000 better than budget and Hilton is forecasted to finish stronger than budget.

Mr. Wilson concluded by reporting a variance of \$900,000 in personnel expenses, building maintenance is better than budget by \$500,000, advertising, and promotion is better by \$1.1 million, travel promotion is better by \$400,000, and debt expense is on budget.

5. **Board Business**

A. Consideration and possible approval of the 2022 Investment Policy

Mr. Wilson stated that the 2022 Investment Policy has not changed from prior years and is consistent with the City's current policy.

After discussion for consideration and possible approval of the 2022 Investment Policy, a motion was made and duly seconded for approval. The motion carried.

B. Consideration and possible approval of a Window-Cleaning Services Agreement with Superior Building Services, Inc.

Purchasing Agent, Mitch Miszkowski, stated that an invitation to bid was advertised for qualified and experienced commercial window-cleaning contractors capable of providing timely and cost-effective services for HFC's facilities. Mr. Miszkowski stated the only bid received was by Superior Building Services, Inc. which is management's recommendation. Superior Building Services, Inc. is the incumbent.

After discussion for consideration and possible approval of a Window-Cleaning Services Agreement with Superior Building Services, Inc., a motion was made and duly seconded for approval. The motion carried.

C. Consideration and possible approval of an Agreement between Houston First Corporation and Barbizon Light of the Rockies, Inc. for the Brown Theater Dimming Rack Replacement (Phase 2) Project at Wortham Theater Center.

Mr. Miszkowski stated that an invitation to bid was advertised for qualified contractors for the second of three phases for the replacement of the Brown Theater Dimming Rack at Wortham Theater Center. The dimming systems were installed in 1986 and suitable replacement parts are no longer available. The lowest responsible bid was received from Barbizon Light of the Rockies, Inc. and is management's recommendation.

After discussion for consideration and possible approval of an agreement between Houston First Corporation and Barbizon Light of the Rockies, Inc. for the Brown Theater Dimming Rack Replacement (Phase 2) Project at Wortham Theater Center, a motion was made and duly seconded for approval. The motion carried.

6. **Executive Session**. An executive (closed) session pursuant to Texas Government Code 551.072 to permit the Board of Directors to consult with Counsel regarding real estate matters began at 4:36 p.m. Council Member Robert Gallegos left at the inception of the executive session. No action was taken during the executive session, which ended at 4:56 p.m.

7. **Adjournment**. The meeting was adjourned at 4:57 p.m.

V. (A) Consideration and possible recommendation of a job order with ERC Environmental & Construction Services, Inc. for demolition, steel build back, and related services pertaining to the removal of the existing Exhibit Hall A3/B3 airwall in the George R. Brown Convention Center.

Consideration and possible approval of a job order with ERC Environmental & Construction Services, Inc. for demolition, steel build back, and related services pertaining to the removal of the existing Exhibit Hall A3/B3 airwall in the George R. Brown Convention Center.

DESCRIPTION:

Management recommends the approval of a job order with ERC Environmental & Construction Services, Inc. ("ERC") for demolition, steel build back, and related services pertaining to the removal of the existing Exhibit Hall A3/B3 airwall in the George R. Brown Convention Center.

Project work must be completed before the John Deere 2022 Expo which has been contracted to occur in December 2022. John Deere requires an unobstructed exhibit flow in Exhibit Halls A3 and B3 for their Expo.

ERC is a certified diversity firm that has been selected through the Texas CO-OP Choice Partners to perform the required demolition, steel build back, and other related services pertaining to the removal of the existing Airwall. HFC Operations met with representatives of ERC and believe that this firm is able to admirably perform the services requested. The total contract price for the work is \$1,303,318.63. Of this amount, \$790,863.85 is for the steel build back.

The Diversity Goal for this portion of the Exhibit Hall A3/B3 Airwall Project is 24%.

RESOLVED, that the Board of Directors of Houston First Corporation approves the following resolutions:

RESOLVED, that the Board of Directors of Houston First Corporation hereby approves and authorizes the finalization and execution of a job order with ERC Environmental & Construction Services, Inc. for demolition, steel build back, and related services pertaining to the removal of the existing Exhibit Hall A3/B3 airwall in the George R. Brown Convention Center (the "Job Order") in accordance with the above parameters, together with such conditions or modifications that are approved by the President and CEO, as he may determine to be in the best interest of Houston First Corporation and to execute such Job Order; the President and CEO hereby is, without the necessity for joinder of any other person, authorized, empowered and directed for and on behalf of Houston First Corporation to execute and deliver the Job Order in a form as approved by the President, or any Authorized Person (defined below), such approval to be conclusively established by the execution and delivery of the Job Order by any Authorized Person; and

FURTHER RESOLVED, that both the President and CEO and General Counsel of Houston First Corporation are each hereby designated by Houston First Corporation as an "Authorized Person" for purposes of this resolution and with respect to the Job Order to be executed hereunder; and

FURTHER RESOLVED, that the Job Order executed by any Authorized Person, for and on behalf of and in the name of Houston First Corporation before or following the adoption of the foregoing resolution, in connection with the described transaction, be and is hereby ratified, confirmed, and approved in all respects for all purposes.

V. (B) Consideration and possible approval of an amendment to the George R. Brown Convention Center Airwall Replacement Agreement between Houston First Corporation and Rob Pelletier Construction, Inc. to furnish and install an airwall in Exhibit Hall A3/B3.

Consideration and possible approval of an amendment to the George R. Brown Convention Center Airwall Replacement Agreement between Houston First Corporation and Rob Pelletier Construction, Inc. to furnish and install an airwall in Exhibit Hall A3/B3.

DESCRIPTION: Management recommends the approval of an amendment to the George R. Brown Convention Center (“GRB”) Airwall Replacement Agreement between Houston First Corporation (“HFC”) and Rob Pelletier Construction, Inc. (“RPC”) to furnish and install airwall (folding panel partitions) in the Exhibit Hall A3/B3. Demolition of the existing airwall located in the A3 and B3 Exhibit Hall is to be procured separately.

Project work must be completed before the John Deere 2022 Expo which has been contracted to occur in December 2022. John Deere requires an unobstructed exhibit flow in Exhibit Halls A3 and B3 for their Expo.

HFC presently has a contract with RPC for the provision of Airwalls in the GRB. This firm has provided similar equipment and services throughout the GRB. RPC is the exclusive representative of the manufacturer in our area. HFC management is seeking approval of an amendment to the current agreement for furnishing and installation of the new Airwall in the A3 and B3 Exhibit Halls. The total cost of this project is \$728,388.00, plus a 10% contingency.

Pelletier is WBE/HUB certified.

RESOLVED, that the Board of Directors of Houston First Corporation approves the following resolutions:

RESOLVED, that the Board of Directors of Houston First Corporation hereby approves and authorizes the finalization and execution of an amendment to an Agreement (the “Amendment”) with Rob Pelletier Construction, Inc. to furnish and install airwalls in the A3 and B3 Exhibit Halls in the George R. Brown Convention Center in accordance with the above parameters, together with such conditions or modifications that are approved by the President and CEO, as he may determine to be in the best interest of Houston First Corporation and to execute such Amendment; the President and CEO hereby is, without the necessity for joinder of any other person, authorized, empowered and directed for and on behalf of Houston First Corporation to execute and deliver the Amendment in a form as approved by the President, or any Authorized Person (defined below), such approval to be conclusively established by the execution and delivery of the Amendment by any Authorized Person; and

FURTHER RESOLVED, that both the President and CEO and General Counsel of Houston First Corporation are each hereby designated by Houston First Corporation as an “Authorized Person” for purposes of this resolution and with respect to the Amendment to be executed hereunder; and

FURTHER RESOLVED, that the Amendment executed by any Authorized Person, for and on behalf of and in the name of Houston First Corporation before or following the adoption of the foregoing resolution, in connection with the described transaction, be and is hereby ratified, confirmed, and approved in all respects for all purposes.

V. (C) Consideration and possible approval of an Agreement between Houston First Corporation and Superior Building Services, Inc. for the George R. Brown Convention Center Wash and Seal Project.

Consideration and possible approval of an Agreement between Houston First Corporation and Superior Building Services, Inc. for the George R. Brown Convention Center Wash and Seal Project.

DESCRIPTION: On February 23, 2022, Houston First Corporation (“HFC”) issued an Invitation to Bid for qualified and experienced commercial exterior building cleaning services contractors capable of timely and cost-effective cleaning and sealing of approximately 300,000 square feet of exterior metal panels at the George R. Brown Convention Center.

The awarded contractor is responsible for the supervision, labor, materials, and all equipment to hand wash all surfaces. Project work will begin upon the effective date designated in the final Agreement and must be complete in 60 days.

HFC received a total of seven bids and the lowest qualified bid was submitted from Superior Building Services, Inc. Management recommends HFC entering into an Agreement for the George R. Brown Convention Center Wash and Seal Project with Superior Building Services, Inc. in the amount of \$270,000.

The Diversity Goal for this project is 10%.

RESOLVED, that the Board of Directors of Houston First Corporation approves the following resolutions:

RESOLVED, that the Board of Directors of Houston First Corporation hereby approves and authorizes the finalization and execution of an Agreement for the George R. Brown Convention Center Wash and Seal Project (the “Agreement”) with Superior Building Services, Inc. in accordance with the above parameters, together with such conditions or modifications that are approved by the President and CEO, as he may determine to be in the best interest of Houston First Corporation and to execute such Agreement; the President and CEO hereby is, without the necessity for joinder of any other person, authorized, empowered and directed for and on behalf of Houston First Corporation to execute and deliver the Agreement in a form as approved by the President, or any Authorized Person (defined below), such approval to be conclusively established by the execution and delivery of the Agreement by any Authorized Person; and

FURTHER RESOLVED, that both the President and CEO, and General Counsel of Houston First Corporation are each hereby designated by Houston First Corporation as an “Authorized Person” for purposes of this resolution and with respect to the Agreement to be executed hereunder; and

FURTHER RESOLVED, that the Agreement executed by any Authorized Person, for and on behalf of and in the name of Houston First Corporation before or following the adoption of the foregoing resolution, in connection with the described transaction, be and is hereby ratified, confirmed, and approved in all respects for all purposes.

V. (D) Consideration and possible approval of a job order with Chamberlin Houston, LLC for the Hilton Americas-Houston Hotel Sixth-Floor Ballroom Roof Overlay Project.

Consideration and possible approval of a job order with Chamberlin Houston, LLC for the Hilton Americas-Houston Hotel Sixth-Floor Ballroom Roof Overlay Project.

DESCRIPTION:

In 2021, AFM, property insurance carrier for the Hilton Americas-Houston Hotel (the "Hotel"), issued a report concluding that the roof covers for the Hotel must be replaced with an approved new product. Until this work is performed, AFM will only provide property coverage with a five percent (5%) deductible. Upon completion, the deductible will be reduced to three percent (3%).

Hilton Management engaged Gensler to create architectural drawings for the Sixth-Floor Ballroom Roof Overlay Project (the "Project") for which drawings were recently completed. Gensler architect Robert Tai informed HFC management that it was imperative that all roofs at the Hotel must be completed by one roofing contractor so as to have a consistent warranty. However, drawings are not yet available for the remainder of the Hotel roofs. Therefore, in order to initiate work for the Project and be able to utilize the same contractor for the remainder of the work, the only solution is to engage a contractor utilizing a Texas cooperative purchasing agreement.

Chamberlin Houston, LLC ("Chamberlain") is a qualified contractor who has performed work for the Hotel during the past several years and is available to HFC through Choice Partners. Under the job order for the Project, Chamberlin will be responsible to furnish all labor, materials, equipment, services, insurance, and supervision for a complete roof overlay. The cost for this job order is \$742,455.00, plus a 10% contingency.

The Diversity Goal for this project is 25%.

RESOLVED, that the Board of Directors of Houston First Corporation approves the following resolutions:

RESOLVED, that the Board of Directors of Houston First Corporation hereby approves and authorizes the finalization and execution of a job order with Chamberlin Houston, LLC for the Hilton Americas-Houston Hotel Sixth-Floor Ballroom Roof Overlay Project (the "Agreement"), in accordance with the above parameters, together with such conditions or modifications that are approved by the President and CEO, as he may determine to be in the best interest of Houston First Corporation and to execute such Agreement; the President and CEO hereby is, without the necessity for joinder of any other person, authorized, empowered and directed for and on behalf of Houston First Corporation to execute and deliver the Agreement in a form as approved by the President, or any Authorized Person (defined below), such approval to be conclusively established by the execution and delivery of the Agreement by any Authorized Person; and

FURTHER RESOLVED, that both the President and CEO and General Counsel of Houston First Corporation are each hereby designated by Houston First Corporation as an "Authorized Person" for purposes of this resolution and with respect to the Agreement to be executed hereunder; and

FURTHER RESOLVED, that the Agreement executed by any Authorized Person, for and on behalf of and in the name of Houston First Corporation before or following the adoption of the foregoing resolution, in connection with the described transaction, be and is hereby ratified, confirmed, and approved in all respects for all purposes.



HOUSTON FIRST CORPORATION
**BOARD OF DIRECTORS
MEETING**

Houston Botanical Gardens
SOUTHEAST HOUSTON

HFC Board Room
Thursday, June 23, 2022
3:00 p.m.



PUBLIC COMMENTS

Anyone who wishes to address the Committee during the Public Comment session may do so by signing up on the Public Comment sign-in sheet at the front of the room.

HFC BOARD MEETING

June 23, 2022



MINUTES

April 21, 2022

HFC BOARD MEETING

June 23, 2022



HOUSTON FIRST CHAIRMAN'S REPORT

David M. Mincberg

HFC BOARD MEETING

June 23, 2022

Party on the Plaza
AVENIDA HOUSTON



HOUSTON FIRST PRESIDENT & CEO REPORT

Michael Heckman

HFC BOARD MEETING

June 23, 2022

NRA RECAP



NRA RECAP

- **61,000+** total attendance
 - **Zero** arrests
 - **Zero** incidents
- Peaceful protests
- Collaborative effort across multiple agencies and departments



DNC 2024 HOUSTON

JUNETEENTH CELEBRATIONS



CONVENTION SALES UPDATE

- Jan- May 15th, convention attendance has averaged over **85%** of forecasts, hotel room blocks are at **94%**
- Lead volume is **91%** of 2019 production, while associated room nights are at **64%** of the same time frame
- June-Dec, **12** additional citywide conventions scheduled average projected attendance of **9,000**
- Beginning to experience an increase in planning and site visits from clients, making a positive case for the second half of 2022 and beyond

FINANCIAL PERFORMANCE

YTD AS OF MAY 31, 2022

	2022 Budget	2022 Actual	Variance
TOTAL REVENUES	\$78,084,429	\$83,475,376	\$5,390,947
TOTAL EXPENSES	\$83,273,311	\$75,681,946	\$(7,591,365)
TOTAL REVENUES LESS EXPENSES	\$(5,188,882)	\$7,793,431	\$12,982,313

MAJOR REVENUES & EXPENSES

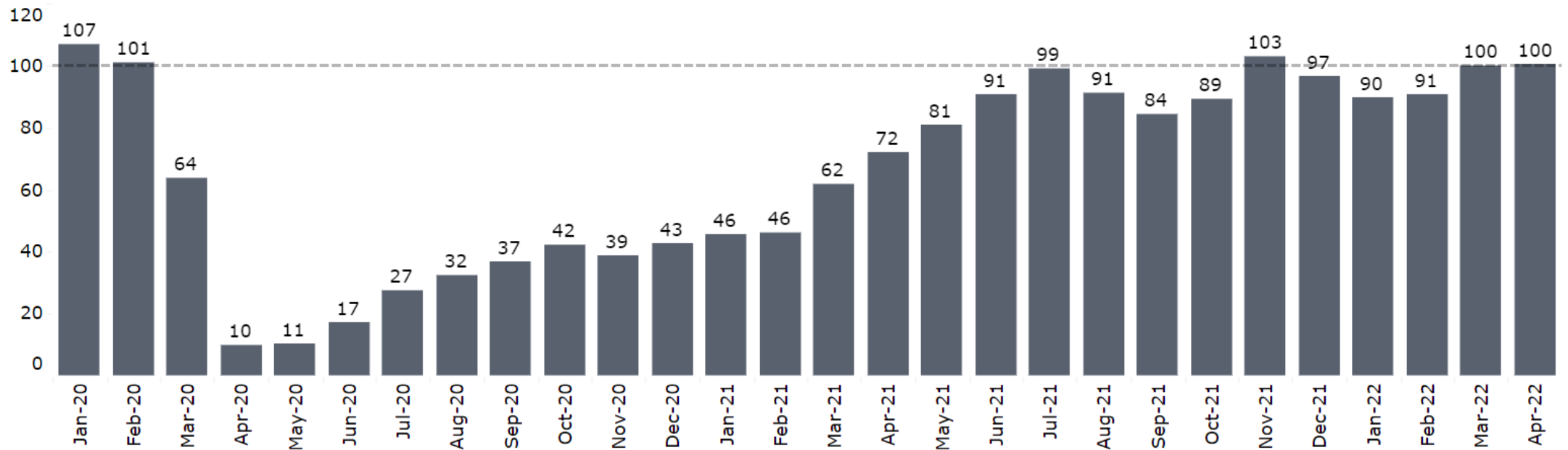
YTD AS OF MAY 31, 2022

MAJOR REVENUES	2022 Budget	2022 Actual	Over (Under) Budget (\$)	Over (Under) Budget (%)
Hotel Occupancy Tax Collections*	\$38,659,244	\$40,061,862	\$1,402,618	3.6%
Hilton Americas Net Cash	\$10,500,000	\$12,500,000	\$2,000,000	19.0%
GRB Facility Rental	\$2,522,326	\$3,707,926	\$1,185,600	47.0%
GRB Food and Beverage	\$8,865,050	\$9,301,727	\$436,677	4.9%
Parking Revenue-Avenida	\$2,953,356	\$4,613,100	\$1,659,744	56.2%
Parking Revenue-Theater District	\$2,587,793	\$2,418,541	(\$169,252)	-6.5%
MAJOR EXPENSES	2022 Budget	2022 Actual	Over (Under) Budget (\$)	Over (Under) Budget (%)
Personnel	\$9,348,842	\$7,221,957	(\$2,126,885)	-22.8%
Security Contract	\$1,403,607	\$1,472,961	\$69,354	4.9%
Bldg. Maintenance Contract	\$2,417,503	\$1,882,396	(\$535,107)	-22.1%
Parking Contract	\$909,821	\$856,880	(\$52,941)	-5.8%
Janitorial Contract	\$1,692,165	\$2,405,460	\$713,295	42.2%
GRB Food and Beverage	\$6,206,739	\$6,215,809	\$9,070	0.1%

AIR TRAVEL TO HOUSTON

Visitor Arrivals by Air

Houston (Index 2019=100)

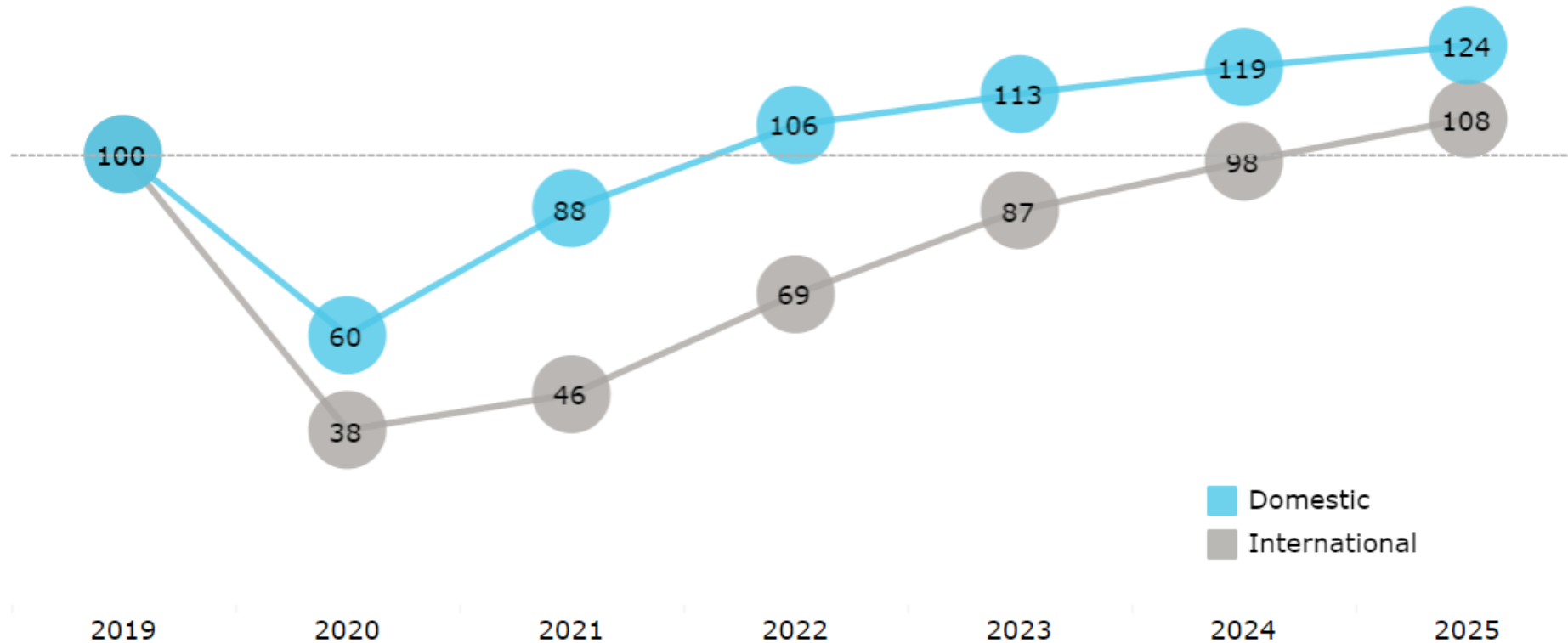


Source: OAG

VISITOR INDEX HOUSTON

Visitor Arrivals

Houston, (Index 2019=100)



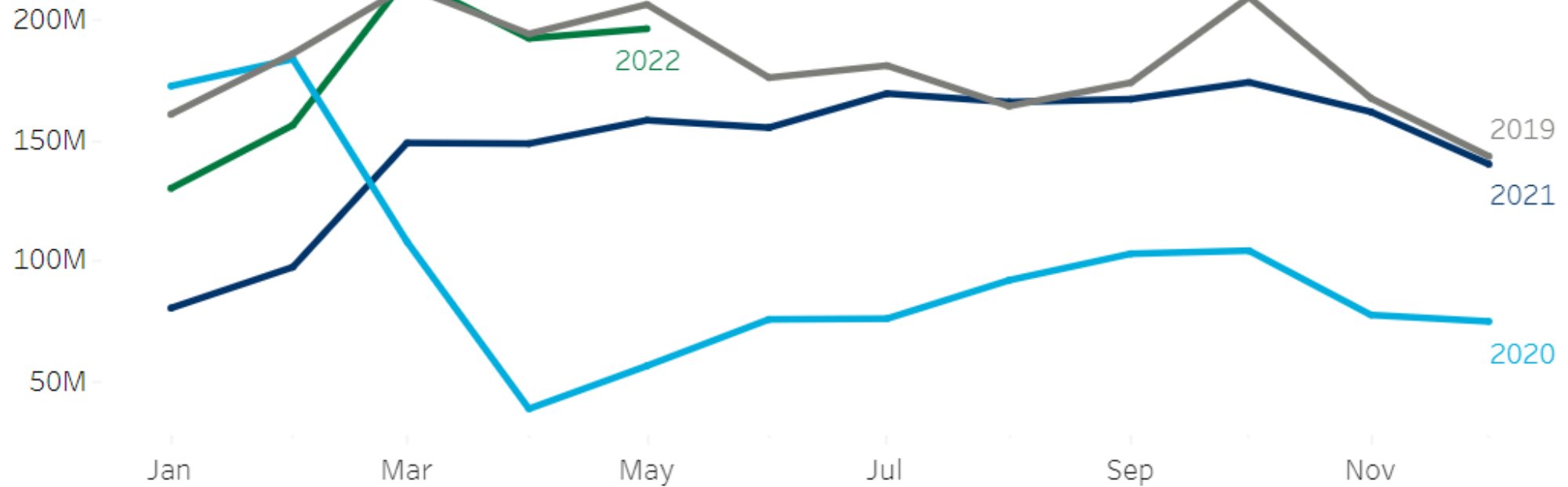
Source: Tourism Economics

HOUSTON ROOM REVENUE COMPARISON

Room Revenue YOY Comparison

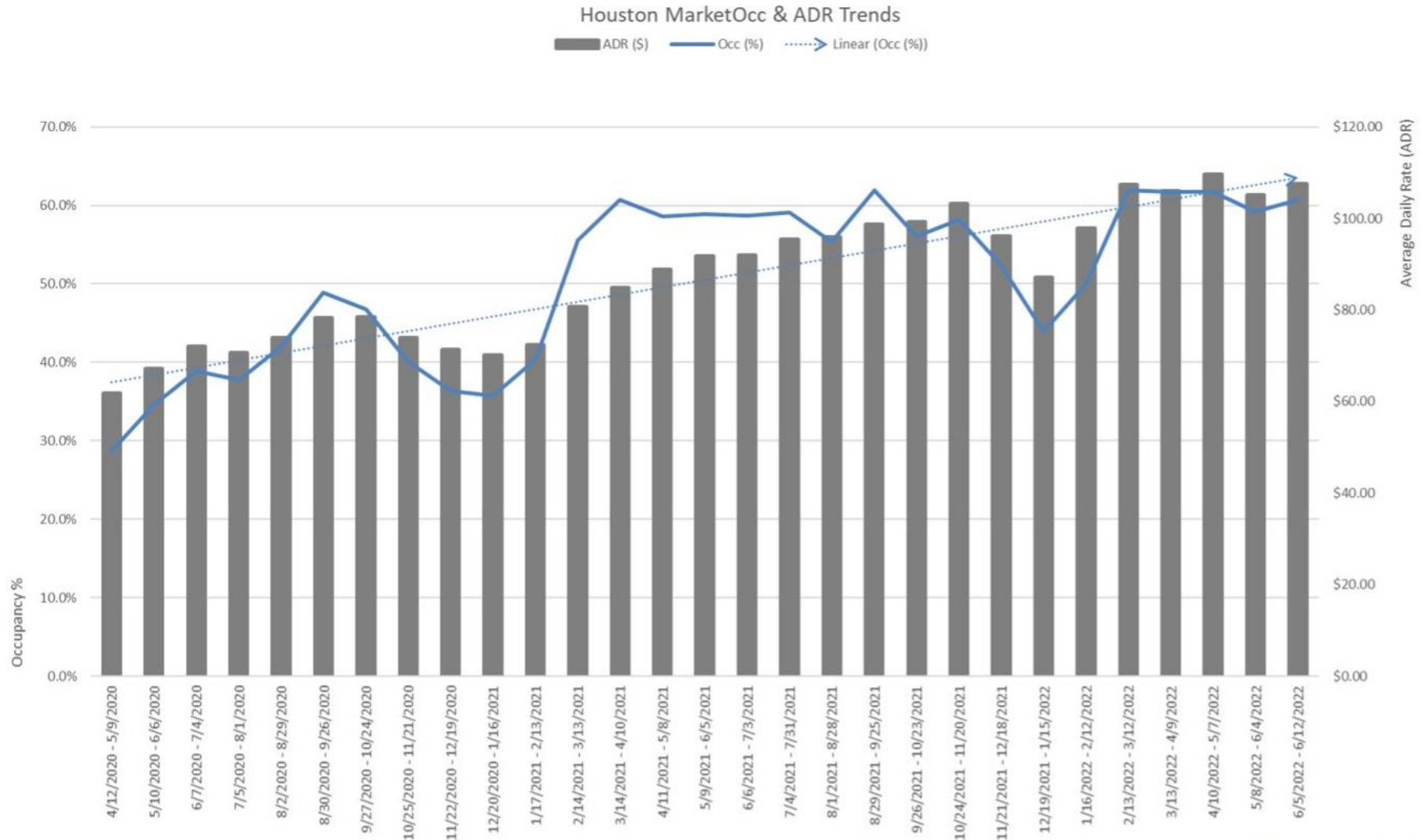
Houston, TX

Room Revenue ▼



Source: STR, Inc

HOUSTON MARKET OCC. & ADR TRENDS



U.S. CONFERENCE OF MAYORS



ADDITIONAL UPDATES

- World Cup 2026
- GRB LEED Gold certification
- Top Chef Houston ratings & recognition
- Labor negotiations
- Manchester City v. Club America
- Comicpalooza July 15-17
- State of the City September 1



HOUSTON FIRST BOARD BUSINESS

- A. Consideration and possible approval of a Job Order with ERC Environmental & Construction Services, Inc. for demolition, steel build back, and related services pertaining to the removal of the existing Exhibit Hall A3/B3 airwall in the George R. Brown Convention Center

HFC BOARD MEETING

June 23, 2022

PROPOSALS & MANAGEMENT RECOMMENDATION

Proposals via Texas Co-Ops

- ERC Environmental & Construction Services, Inc:
\$1,303,318 -- Choice Partners Cooperative
- Cotton Construction:
\$1,752,411—Omnia Partners Cooperative

Supplier diversity goal 24% – JPS Drywall, Inc.

Management recommends ERC, a City of Houston Asian owned SBE firm.





HOUSTON FIRST BOARD BUSINESS

- B. Consideration and possible approval of an amendment to the George R. Brown Convention Center Airwall Replacement Agreement between Houston First Corporation and Rob Pelletier Construction, Inc. to furnish and install an airwall in Exhibit Hall A3/B3

HFC BOARD MEETING

June 23, 2022

A3/B3 AIRWALL INSTALLATION

- HFC currently contracts with **Rob Pelletier Construction, Inc.** for maintenance and repair of the GRB airwalls.
- Sole source procurement—Pelletier is exclusive local distributor of airwalls. **Pelletier is WBE/HUB certified**
- Management recommendation: Amend the existing contract with Pelletier to procure and install one additional airwall in A3/B3. Total cost: **\$728,388**

HOUSTON FIRST BOARD BUSINESS

- C. Consideration and possible approval of an Agreement between Houston First Corporation and Superior Building Services, Inc. for the George R. Brown Convention Center Wash and Seal Project

HFC BOARD MEETING

June 23, 2022

PROPOSERS & SUPPLIER DIVERSITY

	A1 MOBIL FLEET & WASH BID WITHDRAWN	SUPERIOR BUILDING SERVICES	ALUMINUM MAINTENANCE SYSTEMS OF TEXAS, LLC
PRICE	\$110,000	\$270,000	\$648,920
	ROYAL AMERICAN	PRODEX CREATIVE FLOORS, INC.	CHERRY COATINGS
PRICE	\$682,733	\$850,000	\$1,059,615
	LIQUATECH		
PRICE	\$1,773,181		

10% Supplier Diversity Goal—Flores Window Cleaning

Management recommends approving low bid proposal from Superior Building Services, Inc.



HOUSTON FIRST BOARD BUSINESS

D. Consideration and possible approval of a job order with Chamberlin Houston, LLC for the Hilton Americas-Houston Hotel for the Sixth Floor Ballroom Roof Overlay Project

HFC BOARD MEETING

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PROPOSAL & MANAGEMENT RECOMMENDATION

- Management seeks approval of a Job Order with Chamberlin Houston, LLC via Choice Partners Co-Op for a roof overlay project for the Sixth-Floor ballroom.
- Chamberlin has performed building envelope services at Hotel previously.

Supplier Diversity Goal 25% – Canalco, Inc

Management recommends approving Job Order with Chamberlin in amount of \$742,455, plus a 10% contingency.



HoustonfirstSM