

HOUSTON FIRST CORPORATION
MINUTES OF THE HILTON AMERICAS-HOUSTON HOTEL COMMITTEE
OCTOBER 8, 2015

The Hilton Americas-Houston Hotel Committee ("Hilton 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 Thursday, October 8, 2015, commencing at 12:00 noon. 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 12:06 P.M. and a quorum was established.

1. Public Comments. None.
2. Approval of Minutes. A motion was made and duly seconded to approve the minutes of the September 9, 2015 Hilton Hotel Committee.
3. Presentations.
 - A. Update on the Hotel Market. Tom Reifert, of Strategic Advisory Group, provided details from the PKF 2015 Texas Trends Hotel Industry Report that highlighted current factors affecting the hospitality market and economic forecast. Further, he discussed the outlook for the recovery of the oil and gas industry as provided in the PKF report and its impact on the local hotel market. He continued with an update on the various local demand factors in Houston and a forecast of supply, demand, occupancy, ADR and RevPAR in the Houston region as well as the Houston Central Business District.
4. Consideration and recommendation of the Hilton Americas-Houston Hotel 2016 Business Plan and Budget. Jacques d'Rovencourt introduced members of the Hilton Americas-Houston team and turned the presentation over to Joe Palmieri who highlighted the Hotel's very strong market share in addition to meeting revenue forecasts for 2015. Mr. d'Rovencourt followed with an in-depth discussion on the 2015 estimate and 2016 budget revenues and expenses and detailed information about the current Houston market condition and downtown Houston development. He described Hilton Americas 2016 budget goals, assumptions and opportunities. Janice O'Neill-Cox briefed the Committee on the booking pace of 2016 as of August 2015 and the ADR by segment year over year. Capital improvement highlights for 2016 were also provided. Following a thorough discussion on this item, a motion was made and duly seconded to recommend the Hilton Americas-Houston Hotel 2016 Business Plan and Budget.

5. Updates. Mike Waterman gave a brief update on the 2017 sales efforts.

6. Announcements.

A. HFC Budget Workshop – November 9, 2015

B. HFC Board Meeting – November 20, 2015

The meeting adjourned at approximately 1:38 P.M.

Pamela Walko

Pamela Walko, Secretary