

# MINUTES

## HOUSTON FIRST CORPORATION

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**FINANCE AND ASSET MANAGEMENT COMMITTEE MEETING**  
**December 15, 2025, beginning at 8:00 A.M**  
**Partnership Tower, 701 Avenida de las Americas, Suite 200**  
**Houston, Texas 77010**  
**HOUSTON FIRST BOARD ROOM**

The Finance and Asset Management Committee (“Committee”) of Houston First Corporation (the “Corporation”), a Texas local corporation created and organized by the City of Houston 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 Monday, December 15, 2025, commencing at 8:00 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.

- I. **Call to Order.** The meeting was called to order at 8:00 a.m. A quorum was established with the following Committee Members in attendance: Elizabeth Brock, Jay Zeidman, Roxann Neumann, and Sofia Gonzalez.
- II. **Public Comments.** Lisa Hunt addressed the Committee about connectivity between East Houston and downtown amidst the George R. Brown Convention Center expansion. Ms. Hunt emphasized the need for infrastructure investments within a three-mile radius and expressed frustration with traffic disruptions due to construction. She urged the Committee to allocate funds for better communication and coordination with the city to avoid displacing citizens during the project.
- III. **Committee Business**
  - A. Consideration and possible recommendation of a resolution authorizing a Promissory Note with the City of Houston in connection with the flood mitigation measures at Wortham Theater Center and the Theater District Garage.

After a brief discussion, Item III. (A) was removed from consideration.
  - B. Consideration and possible recommendation of a resolution authorizing the pledge of Avenida North Garage, and revenues derived therefrom, in connection with certain revenue bonds issued by the City of Houston.

Frank Wilson, Chief Financial Officer, discussed the need for additional revenue sources pledged to outstanding bonds, as the current capacity tests designed to protect existing bondholders present challenges in raising the necessary funds for the development project.

Mr. Wilson explained that the team has worked diligently to develop a plan that is affordable, provides flexibility, and creates a pathway for better access to future project funding. The key challenge, according to Mr. Wilson, is that the current formula for the additional bonds test is backward-looking, based on historical revenue collections rather than future projections.

To address this, Mr. Wilson outlined several strategies the organization is pursuing, including restructuring existing bonds to reshape the debt services profile, as well as utilizing approaches such as refinancing, tender offers, and exchange offers. He stated that the Corporation plans to pledge new revenue sources, including parking garage revenues, to enhance funding capacity and that a new revenue bond structure will be established, featuring a senior lien and a subordinate lien, to facilitate access to the additional pledged revenues.

Tina Peterman, with Masterson Advisors LLC, addressed questions about the new ordinance and the decision not to pledge certain revenue streams immediately, citing that the current base year for revenue recognition is set for 2035 and provides insufficient funds for immediate needs. She noted that this revenue will be used for project construction and assessments in the future.

Ms. Peterman emphasized the need for a new master trust indenture to modernize outdated bond covenants from 2001. This new structure, she explained, will allow for increased flexibility in issuing bonds and relax some restrictions, such as extending the additional bonds test to 24 months of revenue, rather than 18. She stated that the projected debt service is based on current market interest rates, with hopes of lowering costs and minimizing a new second lien. Overall, according to Ms. Peterman, projected pledged revenues are anticipated to exceed debt service obligations, indicating a positive financial outlook.

Kristen Blomquist, with Masterson Advisors LLC, outlined the financial plan designed to ensure sound operations, affordability, and flexibility for the enterprise. She presented a conservative revenue and expenditure breakdown, highlighting various income sources such as hotel and parking revenues. She stated that stress tests indicated a positive annual net income over the next ten years, despite projected debt service increases in 2023 and 2024.

Ms. Blomquist said that the plan emphasizes managing debt service levels to stabilize revenues and boost the fund balance, essential for covering market downturns and capital expenditures. She said the fund balance is expected to

increase initially, with a slight dip during high debt service years followed by stabilization. She noted the enterprise currently has about 160 days cash on hand, projected to improve overtime.

Following a duly seconded motion, recommendation of the resolution was approved unanimously.

IV. **Adjourn** The meeting was adjourned at 9:02 a.m.