**HOUSTON FIRST CORPORATION**

**MINUTES OF THE**

**GOVERNANCE, AUDIT & FINANCE COMMITTEE**

**November 10, 2016**

The Governance, Audit & Finance 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 at the Partnership Tower, 701 Avenida de las Americas, Houston, Harris County, Texas 77010, on Thursday, November 10, 2016, commencing at 1:30 p.m. Written notice of the meeting, including the date, hour, place and agenda was posted in accordance with the Texas Open Meetings Act. The following members participated in the meeting: Katy Caldwell, Alex Brennan Martin John Johnson, Paul Puente, and Dawn Ullrich. Lisa Anderson was absent. Gerald Womack and David Mincberg were also in attendance but did not participate in the meeting.

A quorum was established and the meeting was called to order at approximately 1:35 p.m.

1**. Public Comments.** None.

2. **Review and Approval of Minutes.**  Separate motions were made and duly seconded to approve the minutes of September 12, 2016 and October 24, 2016. Paul Puente was not in attendance at the time of the vote.

3. **Consideration and recommendation of the annual election of officers pursuant to the Houston First Corporation Bylaws.** A motion was made and duly seconded to recommend the officers as follows (Paul Puente was not in attendance at the time of the vote):

Dawn Ullrich, President

Brenda Bazan, Treasurer

Pamela Walko, Secretary

1. **Consideration and recommendation of a Supplemental Agreement to Lease Agreement with the City of Houston.** Rob Jackson provided background on the Levitt Foundation, which assists communities to transform neglected outdoor spaces into destinations that offer free, live music. There are currently six Levitt music venues across the country. The term of the Supplemental Agreement is 15 years and requires that Levitt Houston must procure all repair and replacements utilizing any or all procurement methods available to the City or HFC and request funding from HFC; HFC is required to budget $100,000 per year which funds shall accumulate, pay no more than $500,000 in any twelve-month period and not to exceed $1 million over the term of the Levitt Agreement; and, HFC will receive a voting seat on the Levitt Houston Board during the term of the Levitt Agreement. Following discussion on this item, a motion was made and duly seconded to recommend that this item be considered by the Houston First Board of Directors. Paul Puente was not in attendance at the time of the vote.
2. **Consideration and recommendation of the 2017 Legislative Agenda**. Rob Jackson provided the legislative priorities for 2016-2017 which included various items on the local, state and federal levels. Following discussion on this item, a motion was made and duly seconded to recommend the proposed legislative agenda to the Houston First Board of Directors for consideration.
3. **Consideration and recommendation of the Administration 2017 Business Plan and Budget**.Brenda Bazan reviewed in detail the proposed 2017 Administration budget, including explanations for variances in operating and non-operating expenses. Following thorough discussion on this item, a motion was made and duly seconded to recommend the Administration 2017 Business Plan and Budget.
4. **Consideration and recommendation of the Houston First Corporation’s 2017 Business Plan and Budget**. Ms. Bazan provided details related to the consolidated Houston First Corporation 2017 budget and included explanations regarding variances in operating revenues, net income from operations, and non-operating revenue. She provided detail related to venue revenue, personnel, travel, facility maintenance, sponsorship and debt service. Following thorough discussion on this item, a motion was made and duly seconded to recommend the Houston First Corporation’s 2017 budget to the Houston First Corporation Board of Directors.
5. **Updates.**
   1. Chairperson Caldwell indicated that the Governance, Audit & Finance Committee would meet bi-monthly for the first six months of 2017 for the purpose of deep dives into diversity, models and debt service at each meeting.

12. **Announcements.** None.

The meeting adjourned at approximately 2:15 P.M.

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Pamela Walko, Secretary