

HOUSTON FIRST CORPORATION
MINUTES OF THE
GOVERNANCE, AUDIT & FINANCE COMMITTEE
September 16, 2015

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.TRANSF.CODE ANN. §431.101 et seq. and TEX.LOC.GOV'T.CODE ANN §394.001 et seq., held a meeting in the George R. Brown Convention Center, 3rd Floor Executive Boardroom, 1001 Avenida de las Americas, Houston, Harris County, Texas 77010, on Wednesday, September 16, 2015, commencing at 3:30 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 members participated in the meeting: Katy Caldwell, Lisa Anderson, Alex Brennan Martin, Winslow Jeffries and Dawn Ullrich. John Johnson was absent.

Chairperson Caldwell called the meeting to order at approximately 3:30 P.M. and a quorum was established.

1. **Public Comments.** None
2. **Review and Approval of Minutes.** A motion was made and duly seconded to approve the minutes of the June 2, 2015 meeting.
3. **Presentations.** The Quarterly Diversity Report was moved to the end of the meeting.
4. **Consideration and possible recommendation for additional sponsorship of the Cinema Arts Festival.** Michael Heckman presented a powerpoint that provided the background and history for prior participation in the Cinema Arts Festival ("Festival"). He then introduced Trish Rigdon who described the films and guests that would be brought to the Festival. Support of the Festival also provides funding for a year-round education outreach program. The Festival is a unique and valuable event for Houston. It is anticipated that positioning Houston as a premier destination would elevate the event to an international level. By recommending additional sponsorship to this event, Houston First would be a premier sponsor for the Festival, which would give year-round marketing and promotional material recognition, a board seat, and the opportunity to promote HFC and Houston in two on-screen trailers. The proposal is for a \$100,000 sponsorship investment - \$50,000 was previously committed and an additional \$50,000 in cash and services. Following discussion on this item, a motion was made and duly seconded to recommend additional sponsorship of the Cinema Arts Festival to the Houston First Corporation's Board of Directors for review and approval.

5. **Consideration and possible recommendation of an Event Participation Agreement with the Super Bowl Host Committee for Super Bowl LI.** Michael Heckman and Dawn Ullrich provided the background of this event and the value it provides to Houston, such as more than 5,000 credentialed media, \$4 million in charitable gifts and grants in the community, a massive economic impact, 3 billion worldwide impressions for the Houston region and a 10-day festival in Discovery Green that will attract approximately 1 million attendees. Houston First will take a leadership role to ensure that the Host Committee can execute a world-class event. Additional key benefits to Houston First are prominent sponsorship positioning, game week hospitality and a platform to promote the Houston region.

A discussion took place surrounding the risks regarding the repayment of HFC funds. The risk is not receiving reimbursement from the Major Events Trust Fund and Host Committee. If the need to ask for additional resources arises, the proposal would be brought back to the Audit & Finance Committee and Houston First Board of Directors for further review, discussion and approval. Following discussion on this item, a motion was made and duly seconded to recommend the Event Participation Agreement with the Super Bowl Host Committee subject to timing of payments after the November elections.

6. **Presentations.** Following the Committee business, Brenda Bazan provided the second quarter Diversity Report, which indicated that Houston First achieved 41% diversity participation rate for the six months ended June 30, 2015. Additionally, she mentioned that the monthly outreach activities are, and would continue to be, included in the monthly Board highlights.

7. **CFO Report.** Brenda Bazan provided a handout that outlined that budget versus actual results for the six month period ended June 30, 2015. She also presented the upcoming budget calendar.

Dawn Ullrich briefed the Committee about the upcoming New Year's Eve event, currently scheduled to take place in the Theater District.

8. **Announcements.** The Committee was given the date of the meeting scheduled in October.

The meeting adjourned at approximately 4:41 P.M.



Pamela Walko, Secretary