

**HOUSTON FIRST CORPORATION
MINUTES OF HOTEL COMMITTEE**

May 15, 2013

The 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, of the George R. Brown Convention Center, 1001 Avenida de las Americas, Houston, Harris County, Texas 77010, on Wednesday, May 15, 2013, commencing at 2:00 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 members participated in the meeting: David Solomon, Hasu Patel and Dawn Ullrich.

Chairperson Solomon called the meeting to order at approximately 2:07 P.M., and a quorum was established.

1. Public Comments. None

2. Approval of Minutes. After a motion duly seconded, the minute of September 4, 2012 and November 7, 2012 were reapproved.

3. Presentations. None

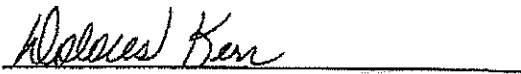
4. Consideration of, and possible action on, a recommendation to the Board of Directors of a revised HOT Rebate Policy. Dawn Ullrich gave a brief outline of the prior HOT Rebate Policy advising that it had expired and was time to reestablish a new policy. After a motion duly seconded, the Committee agreed to recommend to the Board of Directors the revised Hotel Occupancy Tax Rebate Policy as presented to the committee.

5. Consideration of, and possible action on, a recommendation to the Board of Directors of a revised resolution with regard to authorizing execution of contracts and taking other action in regard thereto. Dawn Ulrich gave a brief overview of the changes being requested in the resolution and specifically mentioned the modification to the approval process for the distribution of obsolete items. After a motion duly seconded, the Committee agreed to recommend to the Board of Directors, the approval of the revised resolution with regard to authorizing execution of contract and taking other as presented to the committee.
6. Consideration of, and possible action on, a recommendation to the Board of Directors on obsolete items presented by Hilton Americas-Houston. Peter McStravick presented the list of obsolete items for approval. After a motion duly seconded, the Committee agreed to recommend to the Board of Directors that the list of items be accepted.
7. Landau Replacement. Joe Palmieri advised the Committee that the Landau Lease would expire in December 2013 and that three concepts were being considered as options. A recommendation will be made at the September Committee meeting.
8. Pappasito's Renovation and Schedule. Joe Palmieri advised the Committee that Pappasito's renovation has encountered some permit issues which are being addressed. With the schedule being pushed back by another month anticipated opening is late November 2013.
9. Operations Report. Mr. Palmieri reported that the Hotel had a great four months and transient business had been strong when rooms were available.
10. Sales Report. Janice O'Neill-Cox advised that it has been a challenge to capture transient market with City Wide and group business booking mid week. Ms. O'Neill-Cox explained that 2014 was pacing slow although she felt it would still be a challenging year.

11. SCS Update. Tom Werner of SCS Hotels advised the Committee that SCS had just completed the Quarterly Review and that Hilton was doing a top job. He felt that, all in all, things were trending the correct way.

12. COO Report. Peter McStravick commended Phil Tubb and his finance department for their efforts. He explained that in addition to the our 85% occupancy Phil's group had been involved in an Hilton internal audit and the HFC annual audit and had received a great score of 97.2 on the internal audit.

The meeting adjourned at approximately 12:40 P.M.

A handwritten signature in cursive script, reading "Dolores Kerr", is written above a horizontal line.

Dolores Kerr, Secretary