

HOUSTON FIRST CORPORATION
MINUTES OF HOTEL COMMITTEE
NOVEMBER 13, 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, 1001 Avenida de las Americas, Houston, Harris County, Texas 77010, on Wednesday, November 13, 2013, commencing at 11:30 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. The following members participated in the meeting: David Solomon, Irma Diaz-Gonzalez, Hasu Patel and Dawn Ullrich.

Chairperson Solomon called the meeting to order at approximately 11:44 A.M. and a quorum was established.

1. Approval of Minutes. After a motion duly seconded, the minutes of the September 12, 2013 Hotel Committee were approved.
2. Discussion of, and possible action on, Hilton's proposed CY14 budget. Joe Palmieri presented an overview of the operations and capital budgets for calendar year 2014. Jacques D'Rouvencourt and Janice O'Neil-Cox presented the Hotel's operational and sales goals for 2014. Discussion followed concerning risk factors of the budget, growth rate and comparisons with previous years. After a motion duly seconded, the Committee agreed to recommend Hilton's proposed CY14 operating and capital budgets to the Board of Directors.
3. Asset Manager Report. Frank Calaguire of SCS Hotels advised the Committee that the budget was vetted by all and that in his opinion it was sound, noting the exceptional performance by Hilton in 2013.
4. COO Report. Peter McStravick gave brief updates on alternative uses of the space currently occupied by Landau (current lease expires December 31, 2013), the renewal of the Hilton Management agreement, the status of the RFQ for Asset Management Services and the recent procurement of electricity for hotel and leased assets which will start in mid 2014.

The meeting adjourned at approximately 12:42 P.M.

Dolores Kerr by Pamela Walks

Dolores Kerr, Secretary