

AGENDA

HOUSTON FIRST CORPORATION

BOARD OF DIRECTORS MEETING
September 21, 2023 – 3:00 P.M.
Partnership Tower, 701 Avenida de las Americas, Suite 200
Houston, Texas 77010
HOUSTON FIRST BOARD ROOM

BOARD MEMBERS:

David Minckberg (Chair), Desrye Morgan (Vice-Chair), Sofia Adrogué, Elizabeth Brock, Nicki Keenan, Reginald Martin, Ryan Martin, Alex Brennan-Martin, Paul Puente, Bobby Singh, Tom Segesta, Gerald Womack, Jay Zeidman, Mayor Pro-Tem Dave Martin, Ex-officio, Council Member Robert Gallegos, Ex-officio

In accordance with the Texas Open Meetings Act, this Agenda is posted for public information, at all times, for at least 72 hours preceding the scheduled time of the meeting on the bulletin board located on the exterior wall of the Houston City Hall building, located at 901 Bagby. The Agenda is also available online at <https://www.houstonfirst.com>.

To reserve time to appear, come to the meeting at least ten minutes prior to the scheduled public session shown on the Agenda.

Any questions regarding this Agenda, or requests for special needs assistance, should be directed to Lisa K. Hargrove, General Counsel at either 713.853.8965 or Lisa.Hargrove@houstonfirst.com

Code of Business Conduct and Ethics – As a reminder, under Houston First Corporation's Code of Business Conduct and Ethics Policy, if you have a potential conflict of interest that you have not previously disclosed relating to a transaction or arrangement being discussed or voted on, you should notify the Chair and refrain from voting on the transaction or arrangement and recuse yourself from the discussion on the matter at hand. You should have received a copy of the Policy, but if not, let us know and we will provide one for you.

- I. Call to Order**
- II. Public Comments**
- III. Minutes – August 3, 2023**
- IV. Presentations, Reports, and Updates**
 - A. Houston First Chairman's Report
 - B. Houston First President & CEO's Report

V. Board Business

- A. Consideration and possible approval of matters relating to Jones Hall for the Performing Arts: (i) pre-approval of certain 2024 capital projects as well as authorizing the expenditure of such funds and procurement of such projects and (ii) authorizing the issuance of task orders to Page Southerland Page, Inc. for design services related to such projects.

- B. Consideration and possible approval of an Amended Funding Agreement between Houston First Corporation and The Foundation of Jones Hall.

- C. Consideration and possible approval of additional funding for the Hilton Americas-Houston Hotel Roof Project with Chamberlin Houston, LLC.

VI. Adjourn

III. Minutes – August 3, 2023

MINUTES

HOUSTON FIRST CORPORATION

BOARD OF DIRECTORS MEETING

August 3, 2023 – 3:00 P.M.

Partnership Tower, 701 Avenida de las Americas, Suite 200

Houston, Texas 77010

HOUSTON FIRST BOARD ROOM

The Board of Directors (“Board”) of Houston First Corporation (the “Corporation” or “HFC”), a Texas local 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 Partnership Tower, 701 Avenida de las Americas, Suite 200, Houston, Harris County, Texas 77010 on Thursday, August 3rd, 2023, commencing at 3:00 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 Board Members participated in the meeting: David Mincberg (Chair), Sofia Adrogué, Nicki Keenan, Reginald Martin, Ryan Martin, Alex Brennan-Martin, Bobby Singh, Tom Segesta, Gerald Womack, Mayor Pro-Tem Dave Martin, Ex-officio, and Council Member Robert Gallegos, Ex-officio.

- I. **Call to Order.** Chairman David Mincberg called the meeting to order at 3:05 p.m. and a quorum was established. Alex Brennan-Martin was not present at the time of the vote.
- II. **Public Comments.** Congresswoman Sheila Jackson Lee attended the meeting and remarked about Houston’s downtown development. She emphasized that Houston was a city of neighborhoods and encouraged HFC to tout Houston’s stories. She stressed her acquisition of federal funding for public transit and how she championed mobility efforts while in her Congressional role.

Gerald Womack, Board Member, thanked Congresswoman Lee for her assistance during Hurricane Katrina and other catastrophic Houston events during her tenure on Houston’s City Council and as a Congresswoman.

Barry Mandel, former President of Discovery Green, detailed he was one month into retirement, but wished to attend the meeting to thank HFC’s Board for its partnership. Mr. Mandel explained that a leadership program called Emerging Leaders existed during his tenure as the head of the Theater District. He added that Kathryn Lott, a participant in the program, assumed his role as Discovery Green’s new President, making her the park’s third president.

Several Board Members and Congresswomen Lee expressed their appreciation for Mr. Mandel’s work and his years of partnership and service to Houston.

III. **Review and approval of minutes from prior meeting.** Following a duly seconded motion, the June 22, 2023, and July 11, 2023, minutes were approved as presented. Board Member Alex Brennan-Martin was not present at the time of the vote.

IV. **Presentations, Reports, and Updates.**

A. **Houston First Chairman's Report.**

Chairman Mincberg announced that Board Members received Save the Date invitations for Mayor Sylvester Turner's Celebration and the Mayor's State of the City. He added that for the past two years, HFC organized and effectuated the State of the City and noted how this would be Mayor Turner's last State of the City event.

B. **Houston First President & CEO's Report.**

Michael Heckman, President & CEO, reported that HFC's 2023 Diversity, Equity, and Inclusion Summer Internship Program concluded. He explained that the program began from discussions between himself, Chairman Mincberg, and Reginald Martin, a Board Member. He also noted that Reginald Martin suggested the program as a partnership between HFC and the Greater Houston Convention and Visitors Bureau. According to Mr. Heckman, this year's program was a rousing success. Nine interns rotated between different departments and recognized Karen Williams, Tim Moyer, and Daronda Gamble for their efforts. Chairman Mincberg thanked Reginald Martin for initiating the program and his contributions.

Todd Holloman, Vice President of Venues and Live Events, detailed a list of future programming and events, including the Optik Installation, which debuted on July 4, 2023, and would continue through Labor Day weekend. Mr. Holloman added that future events would include the Party on the Plaza celebrating National Hispanic Heritage Month on Saturday, September 16, 2023, and City Lights, which would run from November 17, 2023, through January 2, 2024. He highlighted that HFC partnered with Discovery Green for the Optik Installation and Party on the Plaza.

Mr. Heckman transitioned into updating the Board on HFC's convention business. He emphasized HFC's bustling summer convention business and highlighted how two significant June 2023 events attracted a combined 18,000 attendees and how five large July 2023 events garnered a combined 52,600 attendees.

Jorge Franz, Vice President of Tourism and Industry Relations, informed the Board that the Houston Insider Program ("HIP") would relaunch on August 24, 2023, and that the program's first training session would be for JW Marriott Galleria's staff in the Hilton Americas Hotel. Mr. Franz added that the program would be offered in-person and online. He stressed that HIP focused on educating and engaging Houston's hospitality industry, training frontline staff and hotel Sales Directors and Managers, and providing Houston visitors with a world-class experience.

Mr. Franz announced that Texas lawmakers approved \$200 million for the Texas Moving Image Industry Incentive Program for 2023 through 2025. He asserted the program would provide a competitive grant/rebate incentive, which was managed and administered by the Texas Film Commission. Mr. Franz stated that Alfred Cervantes, Executive Director of the Houston Film Commission, was a juror for "Narrative & Documentary Features" for the Guanajuato International Film Festival. He also highlighted that the movie "ICK" would be filmed in Houston during August 2023 and directed by Joseph Kahn, who produced many of Taylor Swift's music videos.

Holly Clapham, Chief Marketing Officer, explained that Houston Theater Week ("HTW") was Houston's largest recorded consumer promotion dedicated to live theater and performing arts. Ms. Clapham noted that HTW was a week-long promotion that allowed art enthusiasts and novelists to utilize an exclusive online Buy One Get One Free deal. She highlighted that the inaugural event in 2022 was a success and expected the 2023 event to be an even grander success. Ms. Clapham closed by noting this year's HTW would run from August 14, 2023, through August 20, 2023.

Frank Wilson, Chief Financial Officer, reported HFC's financials through June 30, 2023. He stated that all of HFC's major revenues through June 2023, aside from Avenida Parking, outperformed expectations. Mr. Wilson also provided that HFC's highest overperforming major revenues included Hotel Occupancy Tax Collections at \$8.2 million, Hilton Americas-Houston Hotel Net Cash at \$2.8 million, and George R. Brown Convention Center ("GRB") Food and Beverage at \$3.6 million.

According to Mr. Wilson, all major expenses were performing at or below budget, except for GRB Food and Beverage, which was over budget by \$2.3 million. He added that HFC's three most favorable financial variances in major expenses were Personnel, Security Contract, and Building Maintenance Contract. According to Mr. Wilson, Total Revenues exceeded Total Expenses by \$15.3 million, attributed to a favorable \$19 million revenue variance to budget.

Mr. Heckman announced that Lynn Wyatt Square was on schedule for substantial completion around the end of September 2023 and that a grand opening would follow.

According to Mr. Heckman, HFC would schedule a Sales Production and Booking Pace evaluation in September 2023 to evaluate HFC's economic positioning, guide HFC's outlook, and illuminate existing opportunities.

Mr. Heckman mentioned that HFC Management recently attended the Destinations International Annual Meeting, which revealed how competitors invested in their convention centers and destination products. Correspondingly, he emphasized the importance of remaining ahead of competitors.

Mr. Heckman notified the Board that a Market-wide Hotel meeting would be scheduled this month to evaluate sales, tourism, and marketing and added that Board Members would be invited to attend.

Mr. Womack inquired about HFC's hotel distribution list composition. He stated he wished to ensure HFC provided equal opportunities to every hotel, including smaller hotels. Mr. Heckman responded that he would provide Mr. Womack with the list. In parallel, Reginald Martin requested that HFC create a shareable digital marketing piece to reach a larger pool of hotels.

Mr. Heckman concluded by announcing that Great Place to Work certified HFC as a Great Place to Work for the second year.

V. Board Business.

A. Consideration and possible approval of a Framework Agreement for the 2028 Republican National Convention in Houston, Texas, between Houston National Convention Host Committee 2028, Republican National Committee, City of Houston and Houston First Corporation.

Mr. Heckman stated that HFC bid to host the 2028 Republican National Convention ("RNC"). In parallel, he mentioned that HFC was bipartisan and offered to host the 2020 and 2024 Democratic National Conventions. Mr. Heckman explained that HFC always seeks and pursues events that create economic value for Houston. He informed the Board that the RNC required a framework agreement signed by the RNC, the City of Houston ("City"), the Host Committee, and HFC. According to Mr. Heckman, the language for the framework agreement was agreed upon and would be presented to and voted on by the City Council on August 9, 2023. He also informed the Board that HFC expected an RNC decision in late August 2023.

David Staas, Attorney with Winstead PC, explained that the agreement outlined each party's role. He noted that the RNC would be obligated to hold the 2028 Convention in Houston, and HFC would facilitate DMO functions and grant a license agreement for the use of the GRB. Mr. Staas indicated that the City would provide essential services such as police, fire, security, and Emergency Medical Services in and around the convention complex. Mr. Staas also detailed that the Houston Police Department would be a lead agency. According to Mr. Staas, the Host Committee would be responsible for hosting-related funding; however, the City and HFC would not be accountable to the RNC for fundraising.

Council Member Robert Gallegos, an Ex-officio Board Member, stated he would be voting against this item at City Council due to increased violence against Latinos and the state's firearm and immigration policies. He said that he was the only Latino and LGBT Council Member on Houston's City Council, which represented the largest and most diverse city in the nation; therefore, he would not support the event.

Ryan Martin, Board Member, asked about the economic impact the event would have on the region. Mr. Heckman responded that the 2016 Convention had nearly a \$200 million impact on Cleveland, the host city.

Following a duly seconded motion, a Framework Agreement for the 2028 Republican National Convention in Houston, Texas, between Houston National Convention Host Committee 2028, Republican National Committee, City of Houston and Houston First Corporation was approved unanimously, with Ex-officio Council Member Robert Gallegos registering his dissent. Board Member Alex Brennan-Martin was not present at time of the vote.

- B. Consideration and possible approval of the designation of a geographic area within the City of Houston to be known as "Project Financing Zone Number One, City of Houston, Texas" ("Zone") and providing an expiration date for the Zone; making certain findings related thereto; directing the Texas Comptroller of Public Accounts be notified of the Zone's creation within thirty days of its designation; requesting the Texas Comptroller of Public Accounts deposit incremental hotel-associated tax revenues collected by or forwarded to the Texas Comptroller of Public Accounts into a separate suspense account held in trust for Houston First Corporation; providing for notification to the Texas Comptroller of Public Accounts in the event that qualified project activities are abandoned or not commenced within five years of the initial deposit to the suspense account; and containing other related matters; providing a severability clause; and providing an effective date.

Mr. Heckman explained that administratively, HFC needed to notify the Comptroller's Office of the GRB's Project Finance Zone before Senate Bill 1057 goes into effect on September 1st, 2023. He explained that the zone would be a three-mile radius around the GRB and that HFC could receive state funds beginning January 1, 2024.

Mr. Staas detailed the approval process to designate the zone. He explained that part of the resolution would determine that the GRB, including any expansion, related improvements, and related infrastructure, was a qualifying project for eligibility to use the tax revenue proceeds.

Mr. Heckman emphasized that HFC envisioned using the funds to reimagine the GRB and convention district within the limits of the law.

Alex Brennan-Martin, Board Member, joined the meeting.

Chairman Mincberg stated that Ryan Martin was a Chairman of the Long-range Strategic Planning Committee; therefore, it was appropriate that he lead the project. Mr. Womack requested that procurement be included, to which Chairman Mincberg agreed.

Following a duly seconded motion, the designation of a geographic area within the City of Houston to be known as "Project Financing Zone Number One, City of Houston, Texas" ("Zone") and providing an expiration date for the Zone; making certain findings related thereto; directing the Texas Comptroller of Public Accounts be notified of the Zone's creation within thirty days of its designation; requesting the Texas Comptroller of Public Accounts deposit incremental hotel-associated tax revenues collected by or forwarded to the Texas Comptroller of Public Accounts into a separate suspense account held in trust for Houston First Corporation; providing for notification to the Texas Comptroller of Public Accounts in the event that qualified project activities are abandoned or not commenced within five years of the initial deposit to the suspense account; and containing other related matters; providing a severability clause; and providing an effective date was approved unanimously.

VI. Executive Session.

Executive (closed) session pursuant to Texas Government Code Section 551.074 for the purpose of reviewing and evaluating the performance of the President & CEO of the Corporation.

The Board commenced an Executive Session at 4:22 p.m., which ended at 5:02 p.m.

VII. Adjourn. The meeting adjourned at 5:02 p.m.

V. (A) Consideration and possible approval of matters relating to Jones Hall for the Performing Arts: (i) pre-approval of certain 2024 capital projects as well as authorizing the expenditure of such funds and procurement of such projects and (ii) authorizing the issuance of task orders to Page Sutherland Page, Inc. for design services related to such projects.

Consideration and possible approval of matters relating to Jones Hall for the Performing Arts: (i) pre-approval of certain 2024 capital projects as well as authorizing the expenditure of such funds and procurement of such projects and (ii) authorizing the issuance of task orders to Page Sutherland Page, Inc. for design services related to such projects.

BACKGROUND – PAGE SUTHERLAND ASSESSMENT:

Previously, Houston First Corporation (“Houston First”), under an existing Engineering Services Agreement, tasked Page Sutherland Page, Inc. (“Page”), an architecture and engineering firm, to conduct a Facility Condition Assessment of Jones Hall to determine capital and maintenance deficiencies. Page presented its capital, mechanical, electrical, and plumbing concerns in an Assessment Report as part of Houston First’s request.

NEW PROJECT – IMPROVEMENTS TO JONES HALL FOR THE PERFORMING ARTS:

The Board is asked to (i) pre-approve \$3,800,000 of certain 2024 capital projects, inclusive of design costs estimated to be \$400,000, as set forth in the attached Exhibit A as well as authorize the expenditure of such funds and procurement, with award, of such projects and (ii) authorize the issuance of task orders to Page for design services related to these projects. All procurements will be done in accordance with state law and using methods allowed under the Houston First Procurement Manual.

A Diversity Goal for procured vendors will be set for each procurement based upon an assessment of each project.

RESOLVED, that the Board of Directors of Houston First Corporation approves the following resolutions based upon the above parameters; and

RESOLVED, that the Board of Directors of Houston First Corporation hereby pre-approves \$3,800,000 of certain 2024 capital projects, inclusive of design costs estimated to be \$400,000, as set forth in the attached Exhibit A as well as authorizes the expenditure of such funds and procurement, with award, of such projects in accordance with state law and using methods allowed under the Houston First Procurement Manual and (ii) authorizes the issuance of task orders to Page Sutherland Page, Inc. for design services related to these projects; together with such conditions or modifications that are approved by the President and CEO, as he may determine to be in the best interest of Houston First Corporation and to execute any and all agreements, contracts, job orders or task orders as may be necessary to effectuate the totality of the work (the “Instruments”); the President and CEO hereby is, without the necessity for joinder of any other person, authorized, empowered and directed for and on behalf of Houston First Corporation to execute and deliver the Instruments in a form as approved by the President, or any Authorized Person (defined below), such approval to be conclusively established by the execution and delivery of the Instruments by any Authorized Person; and

FURTHER RESOLVED, that both the President and CEO and General Counsel of Houston First Corporation are each hereby designated by Houston First Corporation as an “Authorized Person” for purposes of this resolution and with respect to the Instruments to be executed hereunder; and

FURTHER RESOLVED, that the Instruments executed by any Authorized Person, for and on behalf of and in the name of Houston First Corporation before or following the adoption of the foregoing resolution, in connection with the described transaction, be and is hereby ratified, confirmed, and approved in all respects for all purposes.

EXHIBIT A

EXHIBIT A: JONES HALL IMPROVEMENTS

PRIORITY #	INFO SOURCE	LOCATION	NAME OF PROJECT	CAPITAL PROJECT REASON CODE	LIFE SAFETY/PUBLIC SAFETY 2024 COST	OPERATIONAL RISK 2024 COST	OTHER CAPITAL 2024 COST
PROJECT 1:		JONES HALL OF THE PERFORMING ARTS	REPLACE LIGHTING THROUGHOUT WITH LED	ENERGY SAVINGS			\$1,300,000
PROJECT 2:		JONES HALL OF THE PERFORMING ARTS	REPLACE ENCORE CAFÉ TABLES & CHAIRS AND OUTDOOR FURNITURE	CLIENT REQUEST/CUSTOMER EXPERIENCE			\$250,000
PROJECT 3:	FCA	JONES HALL OF THE PERFORMING ARTS	REPLACE ROOF SMOKE HATCH	EQUIPMENT-END OF USEFUL LIFE		\$140,000	
PROJECT 4:		JONES HALL OF THE PERFORMING ARTS	BAS UPGRADE	ENERGY SAVINGS			\$200,000
PROJECT 5:		JONES HALL OF THE PERFORMING ARTS	SECURITY CAMERA IN SELECT INTERIOR AREAS	LIFE SAFETY/PUBLIC SAFETY	\$50,000		
PROJECT 6:		JONES HALL OF THE PERFORMING ARTS	INSTALL NEW HUMIDIFIER SYSTEM (4)	EQUIPMENT-END OF USEFUL LIFE			\$70,000
PROJECT 7:	FCA	JONES HALL OF THE PERFORMING ARTS	ADD VFD'S ON COOLING TOWERS 1 & 2	ENERGY SAVINGS			\$85,000
PROJECT 8:	FCA	JONES HALL OF THE PERFORMING ARTS	REFURBISH AHU-1, INSTALL ELECTRIC CONTROL VALVES AND REPLACE INSULATION ON DUCKWORK AND PIPING	EQUIPMENT-END OF USEFUL LIFE		\$60,000	
PROJECT 9:	FCA	JONES HALL OF THE PERFORMING ARTS	ENTIRE BUILDING-REPLACE ORIGINAL RUBBER HEAT WATER RESISTANT (RHW) WITH THERMOPLASTIC HEAT WATER RESISTANT NYLON (THWN) INSULATED CONDUCTORS	EQUIPMENT-END OF USEFUL LIFE			\$400,000
PROJECT 10:	FCA	JONES HALL OF THE PERFORMING ARTS	THE RECOMMENDATION IS TO PERFORM TESTING OF THE GROUNDING SYSTEM FOR PROPER FUNCTIONALITY. PERFORM CORRECTIVE ACTION TO RECTIFY ANY DEFICIENCIES FOUND DURING TESTING	DUE DILIGENCE			\$50,000
PROJECT 11:	FCA	JONES HALL OF THE PERFORMING ARTS	REPLACE DOMESTIC BOOSTER PUMPS AND PIPING WITH NEW	EQUIPMENT-END OF USEFUL LIFE			\$100,000
PROJECT 12:	FCA	JONES HALL OF THE PERFORMING ARTS	SANITARY SEWAGE PUMPS (2). REPLACE WITH NEW PUMPS	EQUIPMENT-END OF USEFUL LIFE			\$100,000
PROJECT 13:	FCA	JONES HALL OF THE PERFORMING ARTS	STORM PUMPS (2). REPLACE WITH NEW PUMPS	EQUIPMENT-END OF USEFUL LIFE			\$100,000
PROJECT 14:	FCA	JONES HALL OF THE PERFORMING ARTS	REPLACE BACKFLOW PREVENTER WITH NEW SERVING STEAM BOILERS	EQUIPMENT-END OF USEFUL LIFE			\$20,000
PROJECT 15:	FCA	JONES HALL OF THE PERFORMING ARTS	REPLACE BUILDING DOMESTIC WATER PIPING	EQUIPMENT-END OF USEFUL LIFE			\$500,000
PROJECT 16:	FCA	JONES HALL OF THE PERFORMING ARTS	REPLACE BUILDING STORM PIPING AND ROOF DRAINS	EQUIPMENT-END OF USEFUL LIFE			\$100,000
PROJECT 17:	FCA	JONES HALL OF THE PERFORMING ARTS	REPLACE BUILDING HOT WATER PIPING	EQUIPMENT-END OF USEFUL LIFE			\$225,000
PROJECT 18:	FCA	JONES HALL OF THE PERFORMING ARTS	REPLACE ROOF MANIFOLD WITH NEW AND INSULATE	EQUIPMENT-END OF USEFUL LIFE			\$50,000
TOTAL					\$50,000	\$200,000	\$3,550,000
						GRAND TOTAL	\$3,800,000

V. (B) Consideration and possible approval of an Amended Funding Agreement between Houston First Corporation and the Foundation of Jones Hall.

Consideration and possible approval of an Amended Funding Agreement between Houston First Corporation and The Foundation of Jones Hall.

Description: In October 2022, the City of Houston ("City") entered into an Interlocal Agreement with Houston First Corporation ("Houston First") to transfer \$2.5 million to Houston First for Jones Hall for the Performing Arts ("Jones Hall") improvements. The Interlocal Agreement indicated that the City and Houston First agreed that the City would pay \$2.5 million to Houston First for continued acoustic, infrastructure, safety, audience accessibility, and amenity improvements for Jones Hall. Both parties executed the agreement in compliance with the approved resolution, and the City paid Houston First.

In November 2022, the Operations Committee and Board of Directors approved a resolution to execute a Funding Agreement between Houston First and The Foundation for Jones Hall (the "Foundation") to forward \$2.5 million to the Foundation for Jones Hall improvements. Houston First then transferred the money to the Foundation.

Recently, it was determined that Jones Hall's improvements would require additional capital. Therefore, Houston First and the City agreed to amend their Interlocal Agreement, increasing funding for Jones Hall improvements by \$2.7 million. On August 23, 2023, the City Council approved The First Amendment to the Interlocal Agreement for the Contribution of Funds for the Renovation of Jones Hall to transfer \$2.7 million to Houston First. Thus, Houston First will require an Amended Funding Agreement with the Foundation to transfer the additional funds to the Foundation for further Jones Hall improvements.

RESOLVED, that the Board of Directors of Houston First Corporation approves the following resolutions based upon the above parameters; and

RESOLVED, that the Board of Directors of Houston First hereby approves and authorizes the finalization and execution of an Amended Funding Agreement (the "Agreement") between Houston First and the Foundation for Jones Hall, together with such conditions or modifications that are approved by the President and CEO, as he may determine to be in the best interest of Houston First and to execute such agreements; the President and CEO hereby is, without the necessity for joinder of any other person, authorized, empowered and directed for and on behalf of Houston First to execute and deliver the Agreement in a form as approved by the President, or any Authorized Person (defined below), such approval to be conclusively established by the execution and delivery of the Agreement by any Authorized Person; and

FURTHER RESOLVED, that both the President and CEO and General Counsel of Houston First Corporation are each hereby designated by Houston First Corporation as an "Authorized Person" for purposes of this resolution and with respect to the Agreement to be executed hereunder; and

FURTHER RESOLVED, that the Agreement executed by any Authorized Person, for and on behalf of and in the name of Houston First Corporation before or following the adoption of the foregoing resolution, in connection with the described transaction, be and is hereby ratified, confirmed, and approved in all respects for all purposes.

V. (C) Consideration and possible approval of additional funding for the Hilton Americas-Houston Hotel Roof Project with Chamberlin Houston, LLC

Consideration and possible approval of additional funding for the Hilton Americas-Houston Hotel Roof Project with Chamberlin Houston, LLC.

BACKGROUND – CONTINUED ROOF PROJECT:

Previously, Affiliated FM Insurance Company (AFM”), the property insurer for the Hilton Americas-Hotel (the “Hotel”), determined that multiple floors of the Hotel required roof renovations. Therefore, AFM agreed to provide property coverage with a five percent deductible till the Hotel completed its roofing improvements. Then, it would reduce the Hotel’s property deductible to three percent. Houston First Corporation (“HFC”) and Hotel Management determined that the prudent course of action was to comply with AFM’s roofing request.

In April 2022, HFC and Hotel Management brought a roofing project specifically for the 6th-floor ballroom roof, which was approved. Chamber Houston LLC was selected for the work, which commenced soon after. To date, Chamberlain completed the 6th-floor ballroom roof project.

In February 2023, HFC and Hotel Management brought the roof project before HFC’s Hotel Committee and Board of Directors, which approved additional design services with Gensler and approved the issuance of a new job order for Chamberlain Houston, LLC (“Chamberlain”) for the remainder of the roofs in an amount not to exceed \$2,020,000.00 (inclusive of a contingency).

After completing uplift testing during work, it was determined that a roof overlay would not remedy AFM’s Hotel roof concerns; therefore, the rest of the Hilton’s roofs would need to be corrected differently than initially planned. HFC and Hilton Management evaluated their options and concluded that the Hotel’s best roofing option would be to replace the existing roof, which would require additional funding.

NEW FUNDING – FUNDING REPLACEMENT OF REMAINING HILTON ROOFS:

For 2023, the Hotel budgeted for the completion of the roof overlay project to include both the completion of the design work by Gensler and the issuance of a new job order to Chamberlain for the actual work itself. With the additional funding, Chamberlin will be responsible for furnishing all labor, materials, equipment, services, insurance, and project supervision. Specifically, the project will consist of a multi-phase roof and curtainwall renovation. The additional roofing project funding will include a 10% contingency for a total project cost of \$2,701,662.00.

The Diversity Goal for Chamberlin’s work at the Hotel remains at 25%.

RESOLVED, that the Board of Directors of Houston First Corporation approves the following resolutions based upon the above parameters; and,

RESOLVED, that the Board of Directors of HFC hereby approves and authorizes additional funding of \$2,701,662.00 for the Hotel’s roof project for Chamberlin to be used in accordance with the above parameters, together with such conditions or modifications that are approved by the President and CEO, as he may determine to be in the best interest of HFC.

HOUSTON FIRST CORPORATION

BOARD OF DIRECTORS MEETING

McGovern Centennial Gardens
MUSEUM DISTRICT

HFC BOARD ROOM
Partnership Tower
Thursday, September 21, 2023
3:00 p.m.



PUBLIC COMMENTS

Anyone who wishes to address the Board during the Public Comment session may do so by signing up on the Public Comment sign-in sheet at the front of the room.

HFC BOARD OF DIRECTORS MEETING
September 21, 2023



MINUTES

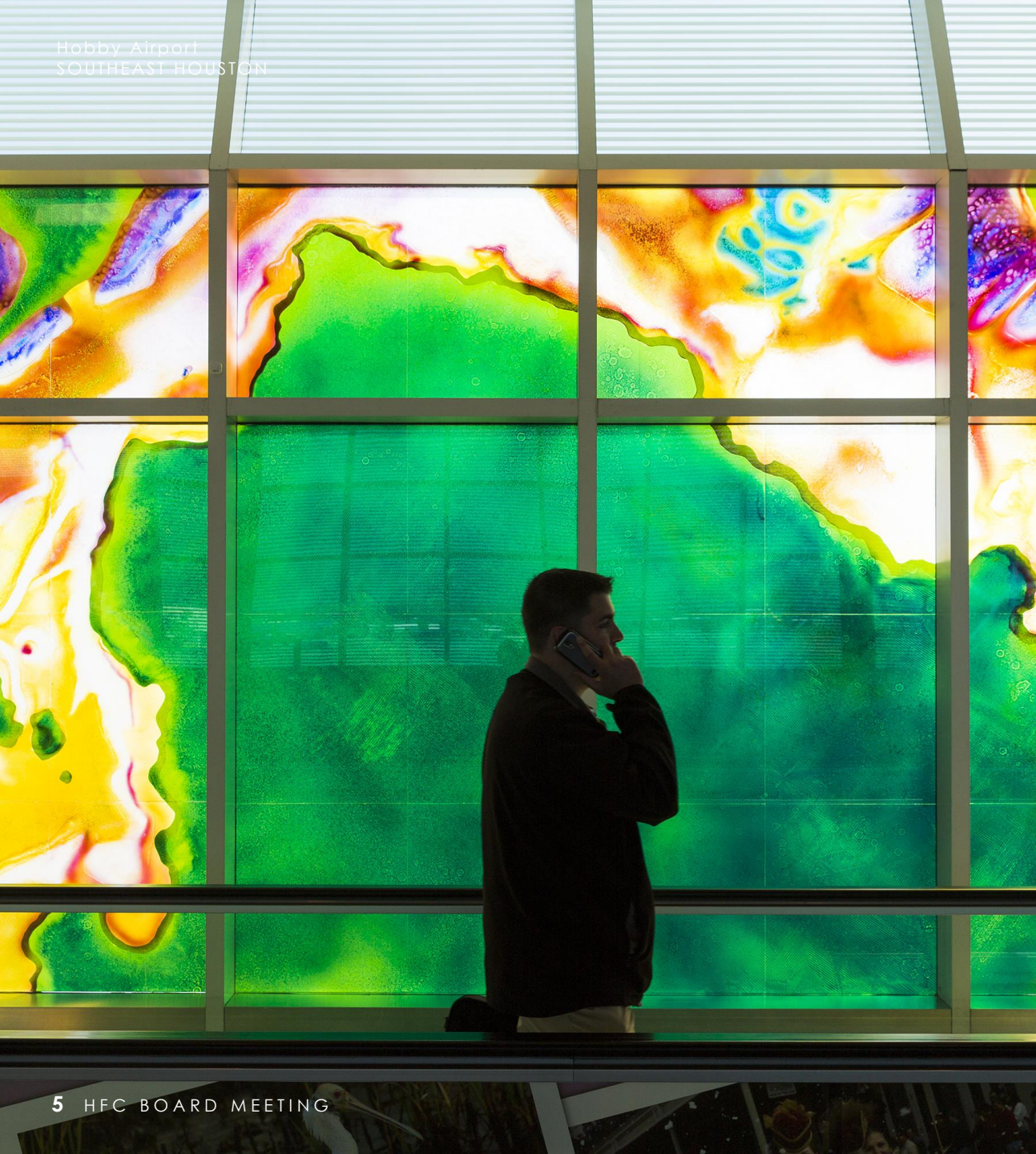
- August 3, 2023

HFC BOARD OF DIRECTORS MEETING
September 21, 2023

HOUSTON FIRST
**CHAIRMAN'S
REPORT**

DAVID M. MINCBERG

HFC BOARD OF DIRECTORS MEETING
September 21, 2023



HOUSTON FIRST
**PRESIDENT & CEO
REPORT**

MICHAEL HECKMAN

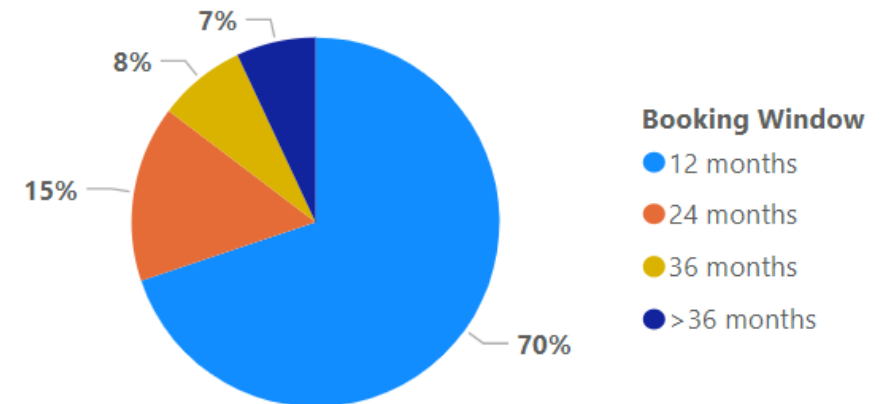
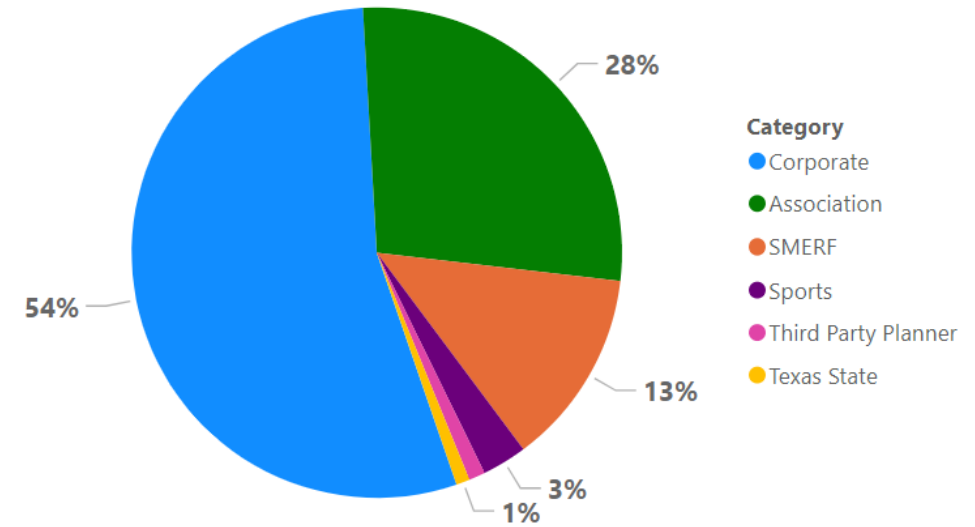
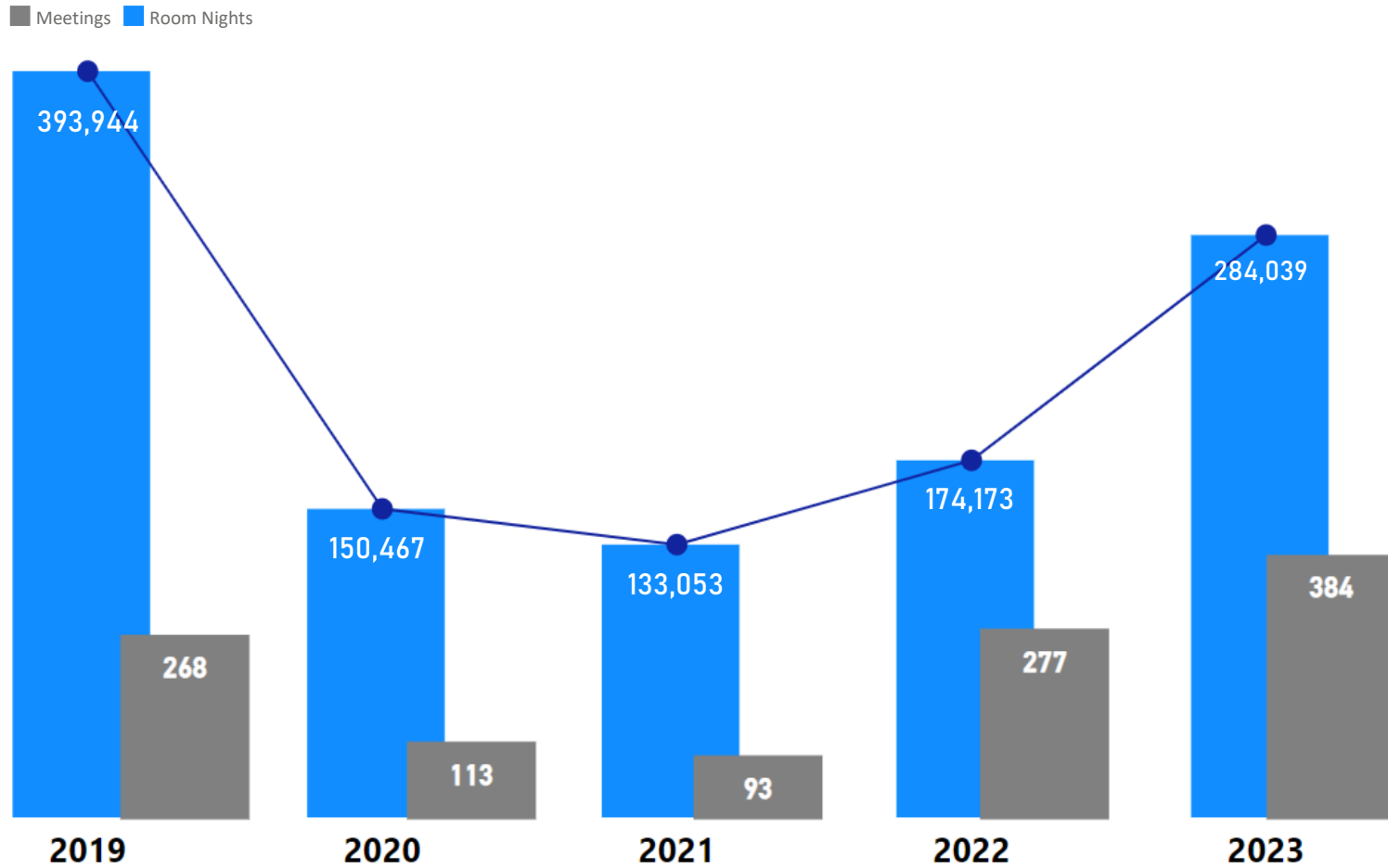
HFC BOARD OF DIRECTORS MEETING
September 21, 2023

HOUSTON FIRST PRESENTS

DESTINATION STRATEGIES & INSIGHTS

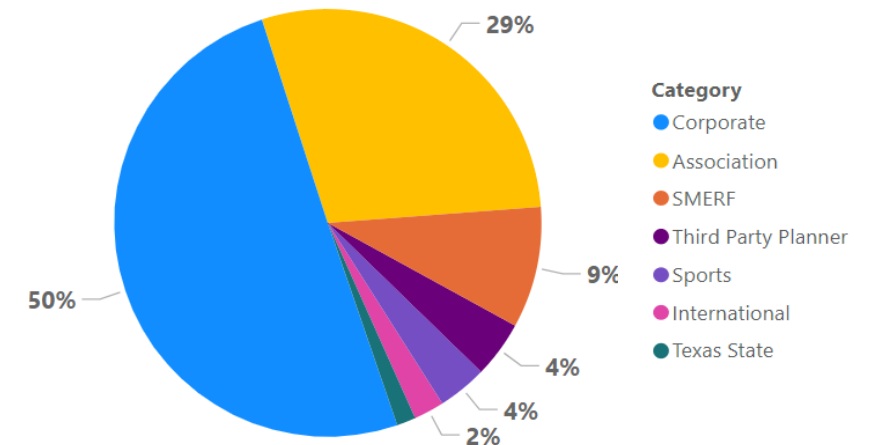
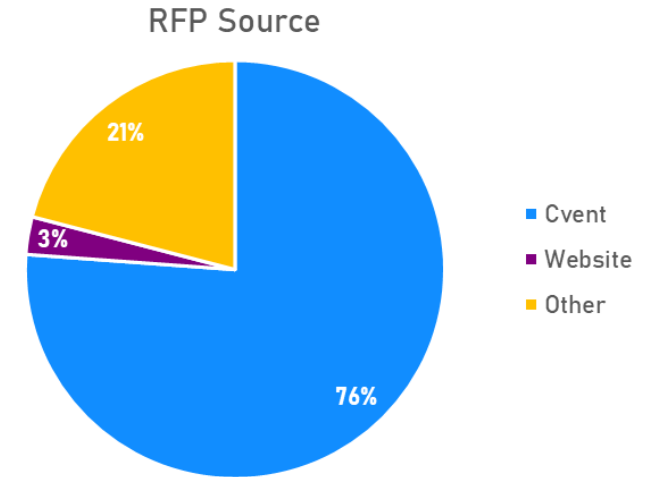
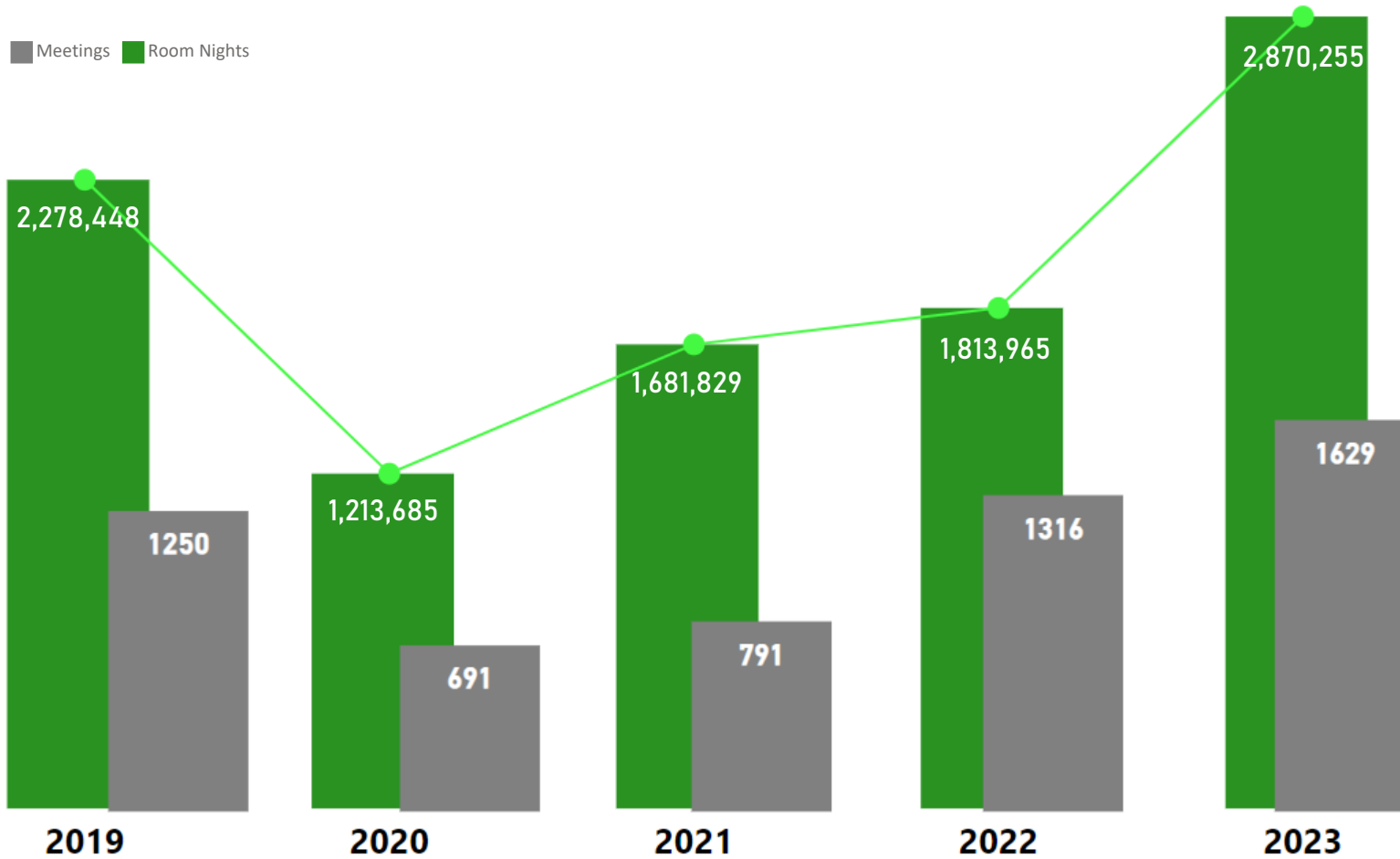
DEFINITE PRODUCTION YTD

JANUARY – AUGUST

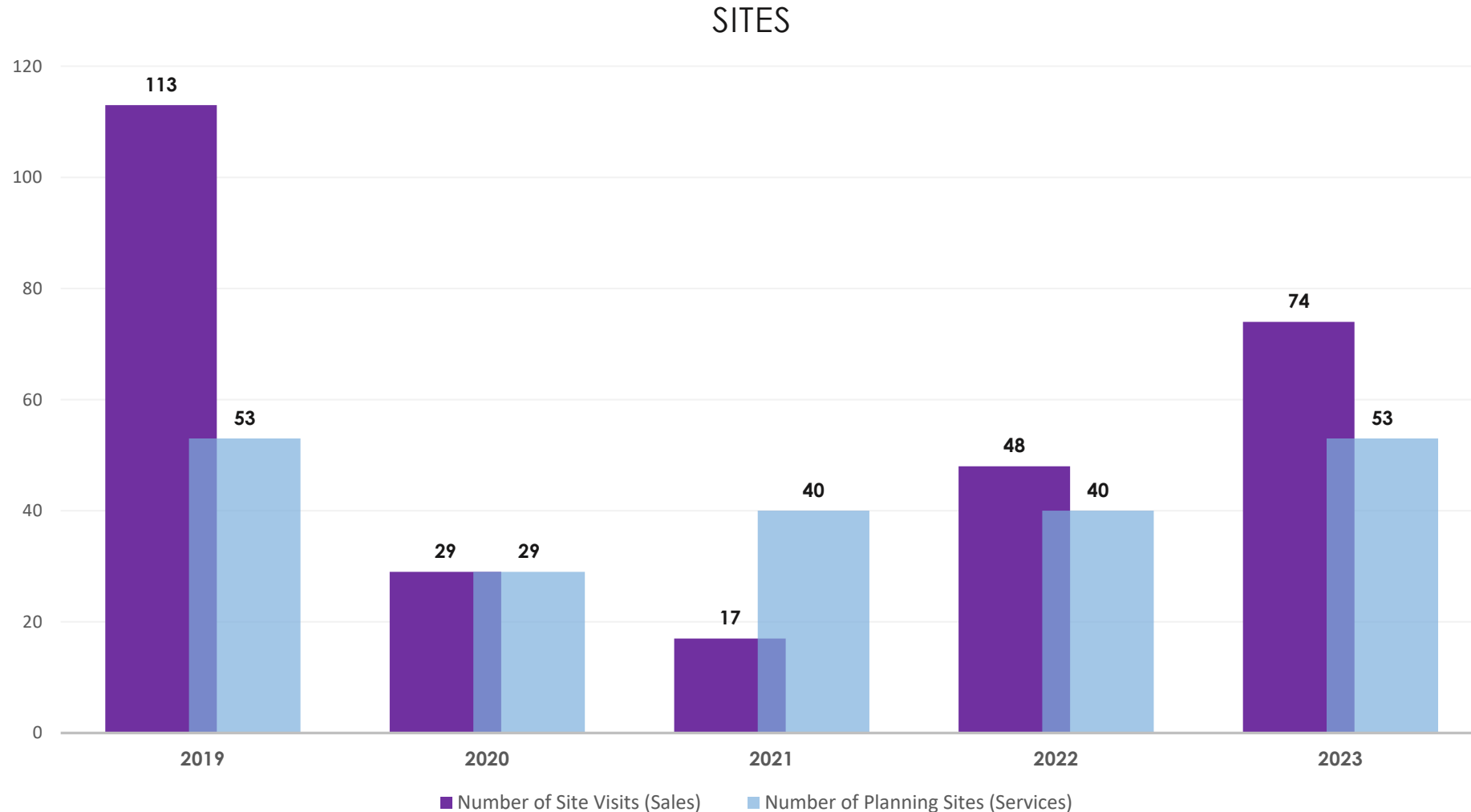


TENTATIVE PRODUCTION YTD

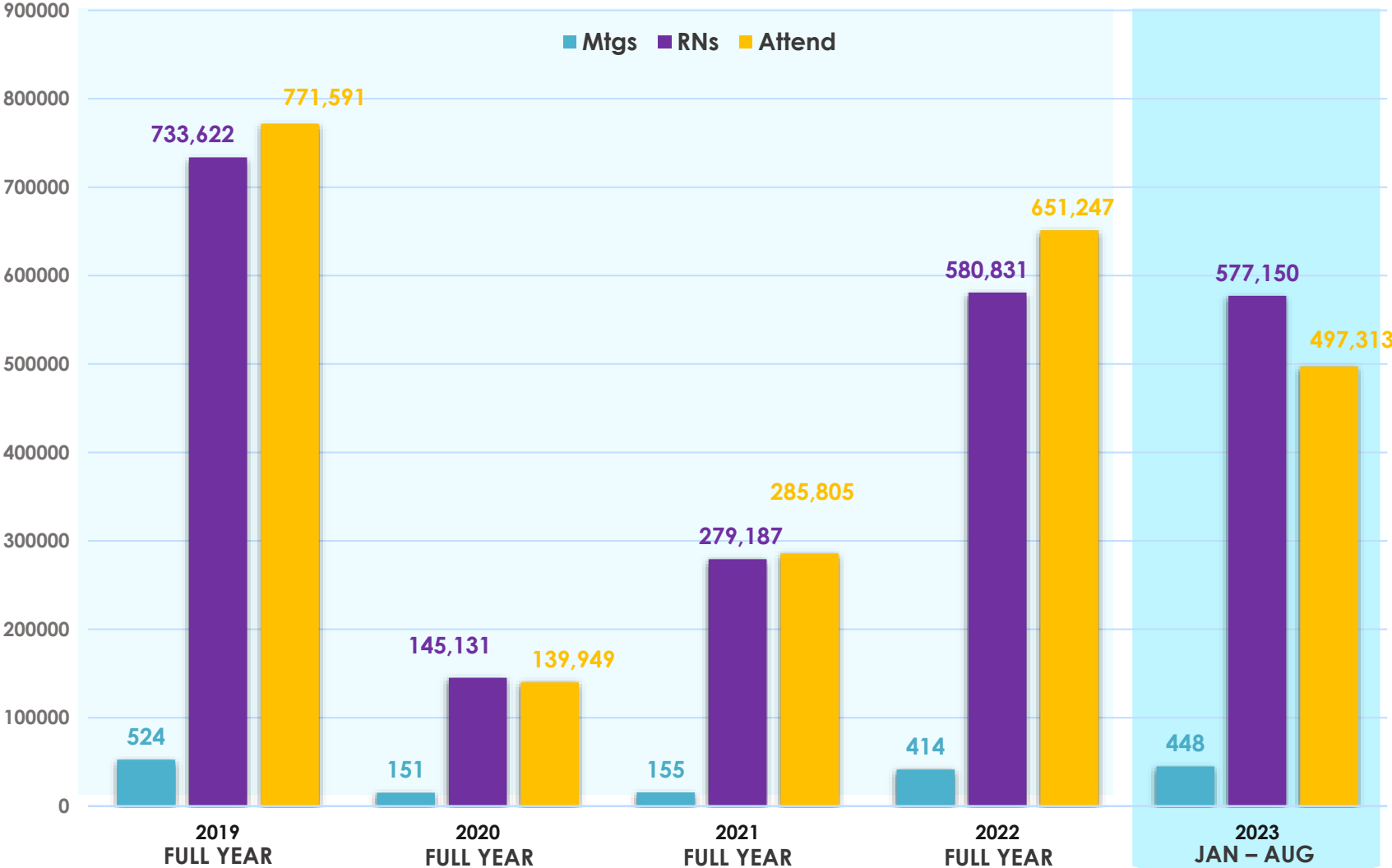
JANUARY – AUGUST



SITE AND PLANNING VISITS JANUARY – AUGUST




MEETINGS HOSTED 2023



DEFINITE MEETINGS

	MEETINGS	TOTAL ROOM NIGHTS
2023	448	577,150
1,500+ peak rooms	29	368,241
2024	129	469,204
1,500+ peak rooms	28	327,156

RNC 2028 HOUSTON



MAJOR REVENUES & EXPENSES

YTD AS OF AUGUST 31, 2023

MAJOR REVENUES	2023 Budget	2023 Actual	Over (Under) Budget (\$)	Over (Under) Budget (%)
Hotel Occupancy Tax Collections	\$71,500,000	\$79,795,617	\$8,295,617	11.6%
Hilton Americas Net Cash	\$29,000,000	\$32,000,000	\$3,000,000	10.3%
GRB Facility Rental	\$4,714,805	\$5,263,756	\$548,951	11.6%
GRB Food and Beverage	\$17,075,416	\$21,714,400	\$4,638,984	27.2%
Parking Revenue-Avenida	\$7,835,152	\$7,540,833	(\$294,319)	(3.8%)
Parking Revenue-Theater District	\$4,278,718	\$5,372,212	\$1,093,494	25.6%
MAJOR EXPENSES	2023 Budget	2023 Actual	Over (Under) Budget (\$)	Over (Under) Budget (%)
Personnel	\$17,866,403	\$17,099,958	(\$766,445)	(4.3%)
Security Contract	\$3,645,109	\$3,019,589	(\$625,520)	(17.2%)
Bldg. Maintenance Contract	\$4,070,612	\$3,552,460	(\$518,152)	(12.7%)
Parking Contract	\$1,578,416	\$1,621,555	\$43,139	2.7%
Janitorial Contract	\$4,319,488	\$4,546,388	\$226,900	5.3%
GRB Food and Beverage	\$10,105,485	\$13,627,911	\$3,522,426	34.9%

FINANCIAL PERFORMANCE

YTD AS OF AUGUST 31, 2023

	2023 Budget	2023 Actual	Variance
TOTAL REVENUES	\$145,288,077	\$166,952,679	\$21,664,602
TOTAL EXPENSES	\$135,968,489	\$137,472,905	\$ 1,504,416
TOTAL REVENUES LESS EXPENSES	\$9,319,588	\$ 29,479,775	\$ 20,160,186

PROGRAMMING UPDATE



OPTIK:

- Temporary Art Installation
- Tuesday, July 4 – Monday, Sept. 4

PROGRAMMING UPDATE

National Urban League Community Day *Saturday, July 29th*



LYNN WYATT SQUARE PROGRAMMING

WELCOME TO

LYNN WYATT

SQUARE

FOR THE

PERFORMING ARTS

SEPTEMBER – NOVEMBER 2023

- **Sip and Share at the Square – 5:00 p.m. – 7:00 p.m.**
 - **Beginning September 29th**
 - Every Friday and Saturday
 - Complimentary entertainment to Theater District performances
- **FARE in the Square – 11:00 a.m. – 2:00 p.m.**
 - **Beginning October 3rd**
 - Every Tuesday, Wednesday, Thursday
 - Food Trucks and Musical Acts
- **Mimosas and Music – 5:00 p.m. – 7:00 p.m.**
 - **Beginning October 1st**
 - Every Sunday
 - Complimentary entertainment to Theater District performances

CITY LIGHTS

City Lights - Avenida Houston:

- Beginning **November 18 -December 17**
- Every **Saturday 6:00 p.m. - 8:00 p.m.** and **Sunday 2:00 p.m. -4:00 p.m.**
- Interactive program including dance, musical performances to songs by Houston artists, and concluding with holiday music encouraging audience participation

City Lights - Theater District:

- Beginning **November 17**
- Music Boxes throughout Theater District
- Interactive life-size music boxes

WORTHAM TREE LIGHTING



Annual Christmas Tree Lighting Ceremony:

- **Wednesday, November 22nd**
- Featuring the illumination of a beautiful Christmas tree with more than 19,000 dazzling lights
- Appearances by costumed characters from the **Houston Ballet, Houston Grand Opera** and...**Santa!**

ADDITIONAL UPDATES

- **MONTROSE BRIDGES**
- **CY24 STRATEGY & BUDGET PLANNING**
- **COLLABORATE HOUSTON**
- **STATE OF THE CITY**





BOARD BUSINESS

- A. Consideration and possible approval of matters relating to Jones Hall for the Performing Arts: (i) pre-approval of certain 2024 capital projects as well as authorizing the expenditure of such funds and procurement of such projects and (ii) authorizing the issuance of task orders to Page Southerland Page, Inc. for design services related to such projects.

LUTHER VILLAGOMEZ

Chief Operating Officer

JOHN GONZALEZ

Sr. Vice President & General Manager - GRB

HFC BOARD OF DIRECTORS MEETING

September 21, 2023

JONES HALL FOR THE PERFORMING ARTS



- Comprehensive Facility Condition Assessment (FCA) conducted.
- FCA Recommended work includes Design, Lighting, Electrical, Plumbing
- Potential Projected Costs - \$3.8 Million

RECOMMENDATION FOR FUNDING



- Design work to begin Fall 2023.
- Projects to be bid early 2024.
- Work to be scheduled and completed Spring – Fall 2024
- **Approved by the HFC Operations Committee on September 13, 2023.**



BOARD BUSINESS

- B. Consideration and possible approval of an Amended Funding Agreement between Houston First Corporation and The Foundation of Jones Hall.

MICHAEL HECKMAN

President & Chief Executive Officer

HFC BOARD OF DIRECTORS MEETING

September 21, 2023

Houstonfirst



BOARD BUSINESS

- C. Consideration and possible approval of additional funding for the Hilton Americas-Houston Hotel Roof Project with Chamberlin Houston, LLC.

ROKSAN OKAN-VICK

Urban Development Officer

HFC BOARD OF DIRECTORS MEETING

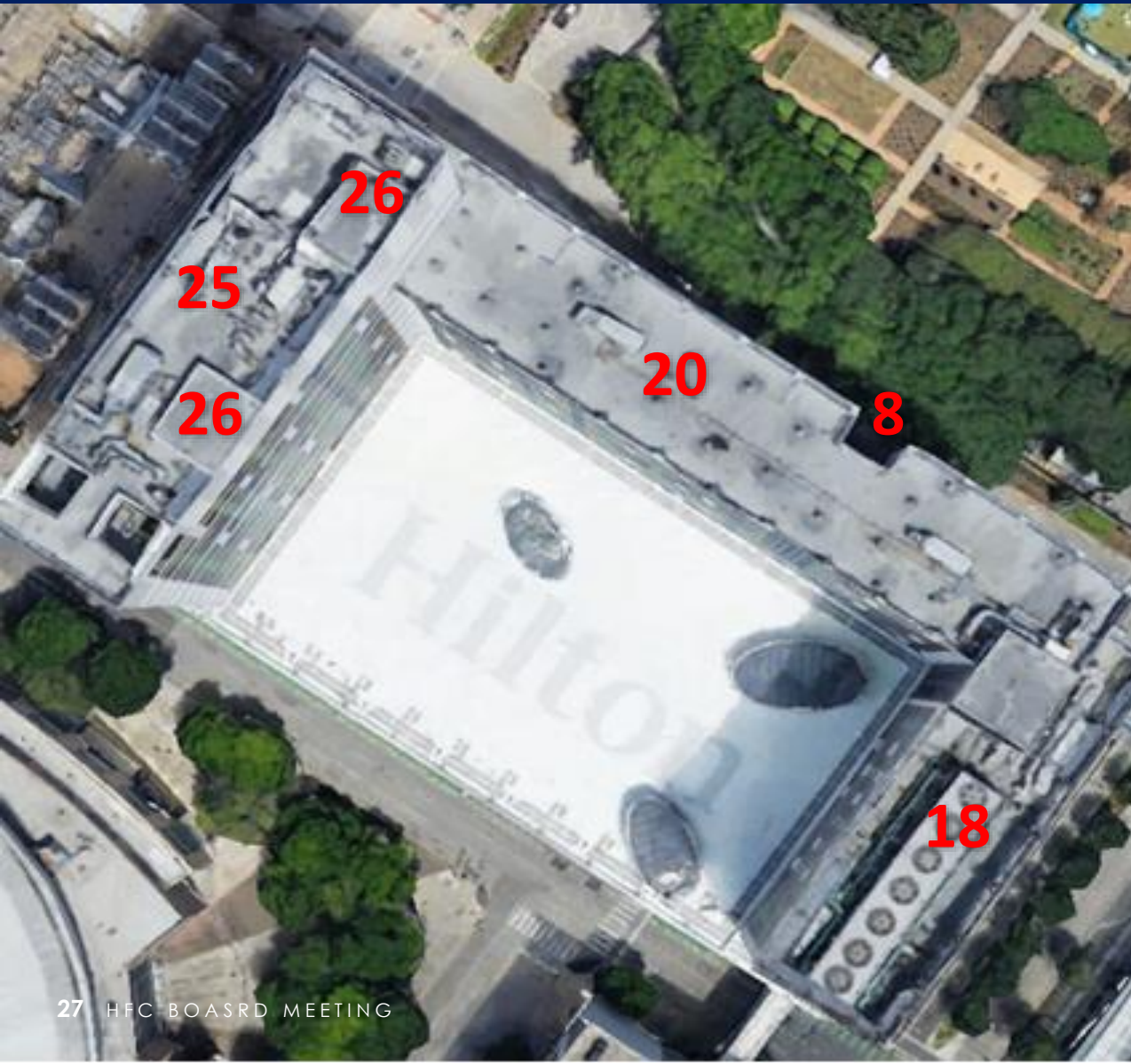
September 21, 2023

HILTON ROOF REPLACEMENT PROJECT



- Hilton 6th Floor Roof was completed as an overlay project.
- Per FM Global requirements, the remaining roofs were tested for wind uplift.
- **88%** of the roof membranes failed.
- As a result, FM Global requires full replacement, in lieu of an overlay.
- Schedule: **Aug. 28, 2023 - Mar. 1, 2024**
- Insurance renewal: **May 1, 2024**

HILTON ROOF REPLACEMENT PROJECT



Proposal for Roof Replacement	\$4,476,056
February 2023 Board Resolution	(\$2,020,000)
Additional Funding for Replacement	\$2,456,056
10% Contingency	\$245,606
Current Request	\$2,701,662

- Requesting additional funding to the Hilton CY23 budget for the remaining outstanding costs.
- **Recommended by the HFC Hotel Committee on September 5, 2023.**

HoustonfirstSM