

# MINUTES

## HOUSTON FIRST CORPORATION

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### **HOTEL COMMITTEE**

**November 9, 2018 – 10:00 A.M.**

**Partnership Tower, 701 Avenida de las Americas, Ste. 200  
Houston, Texas 77010  
L2 Conference Room One**

*The Hotel Committee ("Committee") 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., posted a meeting at Partnership Tower, 701 Avenida de las Americas, Suite 200, , Houston, Harris County, Texas, 77010, on Friday, November 9, 2018, commencing at 10:00 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 Hotel Committee members were present for the meeting: David Solomon (Chair), Katy Caldwell (Vice Chair), David Mincberg, and George DeMontrond.*

The meeting was called to order at 10:02 a.m. and a quorum was established.

1. **Public Comments.** None.
2. **Review and approval of minutes from prior meeting.** Following a motion duly seconded, the meeting minutes of September 5, 2018 were approved as presented.
3. **Presentations and Reports.**
  - A. **Houston First Report.** Mitch Miskowski, HFC Purchasing Agent, gave a brief update on the status of the Project Manager Request for Proposals (RFP) at the Hilton Americas Houston-Hotel (Hotel) and the Hotel Asset Management Request for Qualifications (RFQ).

Five responses were received for the Hotel Asset Management RFQ and eleven proposals were received for the Project Manager RFP. Both items will be taken to the HFC Board of Directors in December for final approval.

- B. **Hilton Americas-Houston General Manager Report.** [Item taken out of order.] Jacques D'Rovencourt, Hotel Manager, provided an update on the Hotel Refresh Project.

The Hotel is currently ranked #2 as one the World's Best Places to Work.

To commemorate the 100 year anniversary of the Hilton, the Committee watched a short video on the "Hilton Effect" and its lasting impact on the hospitality industry.

- C. Hilton Americas- Houston Sales and Marketing Report. [Item taken out of order.] Janice O'Neill-Cox, Director of Sales and Marketing, discussed the room booking position of the Hotel. The Hotel is showing a positive trend with an increase year-over-year in the overall average and room night bookings are also strong.
- D. Asset Manager Report-Jones Lang LaSalle. [Item taken out of order]. Peter McStravick, Chief Development Officer, noted a memorandum was issued by Jones Lang LaSalle to support the approval of the 2019 Budget.

#### 4. Committee Business.

- A. Consideration of, and possible recommendation of the 2019 Hilton Americas-Houston Strategic Plan and Budget. [Item taken out of order].

Frank Wilson, Chief Financial Officer, discussed the 2019 budget process.

He also provided an overview of debt financed capital projects and those that remain unfunded.

Jacques D' Rovencourt then discussed the 2018 highlights for the Hotel and the 2019 Strategic Plan. Some of the goals for the Hotel include completion of the room renovation and Grainer Ballroom, optimizing meeting space, and becoming the premiere hotel partner of major events.

Jacques then discussed the 2019 Budget and explained that there is a slight variance in the figures provided as a matter of timing and the actual year-end numbers will be provided in January/February of 2019.

Peter McStravick added that the Committee should be aware of a 3.5% increase to the Budget for Hotel employees in 2019 due to pension obligations.

In conclusion, Jacques provided a 2019 capital plan for the Hotel that includes renovation of the 4th floor meeting space, dishwasher replacement, installation of fiber infrastructure, and replacement of pipes over Pappasito's Restaurant.

David Solomon asked if any other projects needed to be completed at the Hotel and Peter McStravick discussed the possible removal of the laundry equipment and rededication of the space.

A motion was made to recommend the 2019 Hilton Americas-Houston Strategic Plan and Budget. The motion was approved unanimously.

- B. Consideration and possible endorsement of an Amended Policy Regarding Convention Services Agreements. [Item taken out of turn]. Peter McStravick discussed the moratorium on the Convention Services Agreements that resulted in the development of various downtown hotels.

An amendment has been made to advance the development of large hotels near the George R. Brown Convention Center to support convention business, with an exception made for the development of the W Hotel.

Katy Caldwell asked for clarification of certain language included in the policy and David Mincberg asked that the phrase "now or in the near future" be struck from the policy.

A motion was made to endorse an Amended Policy Regarding Convention Services Agreements, excluding the above referenced language. The motion passed unanimously.

5. **Adjournment.** The meeting was adjourned at 11:05 a.m.