

MINUTES

HOUSTON FIRST CORPORATION

**Operations Committee Meeting
February 11, 2021 – 2:00 P.M.
Live Video and Audio Conference Meeting**

The Operations 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 via live video and audio conference on Thursday, February 11, 2021, commencing at 2:00 p.m.

In accordance with the modified Texas Open Meetings Act provisions announced by Texas Governor Greg Abbott on March 16, 2020, this Agenda is posted for public information, at all times, for at least 72 hours preceding the scheduled time of the meeting online at <https://www.houstonfirst.com>.

1. The Committee Chair called the meeting to order at 2:02 p.m. and a quorum of Committee Members was established with the following members present virtually: Desrye Morgan (Chair), Reginald Martin (Vice-Chair), Alex Brennan-Martin, Dean Gladden, Bobby Singh, Tom Segesta, and Council Member David Robinson.
2. **Public Comments.** None.
3. **Review and approval of minutes from prior meeting.** Following a motion duly seconded, the minutes of December 10, 2020 were approved as presented.
4. **Presentations, Reports, and Updates**
 - A. **Programming and Event Update.** HFC Chief Operating Officer, Luther Villagomez, began the report by discussing preparations made at HFC facilities in anticipation of the winter storm and the potential warming center at the George R. Brown Convention Center (GRB). At this time, he said, the Houston Symphony will perform over the weekend, but staff will continue to monitor the situation and follow the guidance of the Office of Emergency Management. Mr. Villagomez said through the latter half of the year, and as the number of COVID-19 cases decrease, HFC staff will increase capacity limits at the GRB with the help of the City of Houston (City). Mr. Villagomez then introduced Todd Holloman to discuss programming on Avenida Houston.

HFC Director of Live Events and Experiences, Todd Holloman, began his update by discussing activations related to Black History Month. Mr. Holloman stated that the cultural market has been a great success thus far with approximately 600 attendees and features 25 local vendors as well as live entertainment. He further stated Mayor

Sylvester Turner attended the event and was very pleased with the increased safety protocols. Mr. Holloman informed the Committee that this Saturday's event may be cancelled due to inclement weather, but staff is prepared to reschedule the event for a later date. Additionally, he noted that HFC Cultural Programs Manager, Christine West, curated several art exhibits at Partnership Tower that feature local African-American artists. He then discussed programming during the spring season and stated that HFC will host a Coffee & Cars event on Avenida. Mr. Holloman stated HFC will also work with the University of Houston to host a March Madness Watch Party. In conclusion, Mr. Holloman stated that cultural heritage celebrations will take place in the month of May for Asian Pacific American Heritage month and activations for Comicpalooza will round out programming for the spring season.

Bobby Singh congratulated HFC management on a job well done with the increase in activity on Avenida Houston.

HFC Senior Vice President & General Manager of Convention & Cultural Services, John Gonzalez, provided a brief update on events. Mr. Gonzalez stated that the Sales team has hosted a total of six site visits at the GRB in the past month and is optimistic about a return to business. He also explained that many clients and meeting planners are pleased with the additional safety protocols that have been implemented at the GRB. He then shared the event calendar through the end of May in the convention district and theater district. He concluded his update by stating that HFC continues to work closely with the City in hopes of increasing capacity limits at event venues.

HFC Acting President & CEO, Michael Heckman, stated that Houston's ability to position itself as being "open for business" is only made possible by HFC's ability to host safe events. He also stated that Houston's efforts have been discussed in various trade publications thanks to the collaboration between the Operations and Sales teams.

Tom Segesta asked how events are evaluated from a profitability standpoint. Mr. Villagomez provided further explanation. He also explained that HFC is accepting all events regardless of size at this time.

Bobby Singh then asked if HFC has lost profits in hosting events. Mr. Villagomez stated since the adjustments made in March 2020, the GRB continues to operate with fewer events, but expenses do not exceed profits according to financials.

Council Member David Robinson asked about the status of the I-69 project with the Texas Department of Transportation (TxDOT). Mr. Villagomez stated that he anticipates a project update, but it is his understanding that the schedule has not changed. He further explained that TxDOT has received all of HFC's project documents. Council Member Robinson requested that management contact his office so that he may be fully briefed on the status of the project.

Vice Chair, Reginald Martin, clarified that the Greater Houston Convention & Visitors Bureau (GHCVB) put a significant investment into Comicpalooza that resulted in a loss

of \$260,000, in addition to a loss of \$550,000 the previous year, so not all events have broken even or resulted in a profit.

The Committee Chair, Desrye Morgan, stated that the collaboration between HFC and the GHCVB regarding Comicipalooza is a long-term commitment, and despite not garnering the dollars anticipated in recent years, it is important to have the continuity to keep the event going.

5. **Committee Business.**

A. *Consideration and possible recommendation of a Construction Services Agreement with Manhattan Construction Company for the construction of Lynn Wyatt Square for the Performing Arts and Owner's Contingency.*

HFC Purchasing Agent, Mitch Miskowski, discussed the solicitation process for selecting a construction contractor for Lynn Wyatt Square for the Performing Arts (Lynn Wyatt Square). After discussing the selection criteria, Mr. Miskowski shared the names of the selection committee, which included HFC staff members and members of the community. He then asked HFC Development Specialist Manager, Roger Harris, to discuss the diversity participation goal.

Mr. Harris discussed the process of assigning a diversity goal to the project. He explained that the decision was a collaborative effort made with the Urban Development team. Mr. Harris stated that he is confident that Manhattan Construction Company will reach a 41% diversity goal and may even exceed the goal proposed.

The Committee Chair asked about the ethnic breakdown of the diverse firms proposed by Manhattan Construction Company. Mr. Harris responded that he will provide that information at a later date.

Bobby Singh suggested that Mr. Harris include an additional column to the existing slide presented to the Committee.

HFC Chief Financial Officer, Frank Wilson, stated in the four years he has been with HFC, he has not seen other companies show the level of commitment that Manhattan Construction Company has shown toward working with diverse partners. Mr. Villagomez confirmed that the proposed diversity goal is much higher than the goal set in previous contracts.

The Committee Chair stated, in light of the climate in this country, it is important that management research the background of the organizations it works with and Manhattan Construction Company has some challenges. She further explained that she would have liked to see Manhattan Construction Company go a step further and form a joint venture if permitted under the solicitation.

Michael Heckman thanked the Committee Chair for her comment. He also reminded the Committee that the project at Lynn Wyatt Square has been years in the making and once completed will be a jewel for all of downtown Houston.

Bobby Singh discussed the factors he used to evaluate the item and also echoed the sentiments of the Committee Chair.

The Committee Chair stated that she is looking forward to the Lynn Wyatt Square project being complete and has personally been involved for a number of years. Alex Brennan-Martin also commented on the completion of the project.

Council Member Robinson asked about the project schedule. HFC Urban Development Officer, Roksan Okan-Vick, stated that HFC hopes to break ground in early May, assuming the item is approved by the HFC Board, and a grand opening will take place in the summer of 2022.

Following a motion duly seconded, the recommendation of a Construction Services Agreement with Manhattan Construction Company for the construction of Lynn Wyatt Square for the Performing Arts and Owner's Contingency was approved unanimously.

B. Consideration and possible recommendation of increased funding for Manhattan Construction Company and a comparable increase to the guaranteed maximum amount for the continued repair and replacement of damages to the Theater District Parking Garage due to Hurricane Harvey.

Roksan Okan-Vick gave a brief presentation and confirmed that the request of the Committee is for approval of funds in the amount of \$420,000 to close out construction at the Theater District Parking Garage and to acquire, install, test, and commission a supplemental generator. Ms. Okan-Vick informed the Committee that HFC is eligible for reimbursement from FEMA for a majority of project expenses. She also stated that the lead time for the project is sixteen weeks with an additional two weeks to install the generator. She further explained that management also requests an additional \$130,000 for expenses related to project design, and added that approximately 60% of the total expenses for the project will go to diverse contractors.

Alex Brennan-Martin asked about the source of funds and Ms. Okan-Vick stated that the expenses will come from HFC funding.

Bobby Singh stated that the request appears to be a necessary expense in order to remain in compliance with life safety measures. He also thanked Ms. Okan-Vick for her stewardship of the expenses related to the Hurricane Harvey Recovery Project.

Following a motion duly seconded, the recommendation of increased funding for Manhattan Construction Company and a comparable increase to the guaranteed maximum amount for the continued repair and replacement of damages to the Theater District Parking Garage due to Hurricane Harvey was approved unanimously.

- C. Consideration and possible recommendation of increased funding for Harrison Kornberg Architects, LLC and ARUP Texas, Inc., a joint venture, for a task order for additional design services related to the continued repair and replacement of damages to the Wortham Theater and Theater District Parking Garage due to Hurricane Harvey.

Ms. Okan-Vick clarified the request of the Committee in light of her earlier presentation. She stated that the request in item 5C is for funds in the amount of \$130,000 for design documents related to the previously-discussed installation of a generator in the Theater District Parking Garage.

Following a motion duly seconded, the recommendation of increased funding for Harrison Kornberg Architects, LLC and ARUP Texas, Inc., a joint venture, for a task order for additional design services related to the continued repair and replacement of damages to the Wortham Theater and Theater District Parking Garage due to Hurricane Harvey was approved unanimously.

6. **Adjournment.** The meeting was adjourned at 2:58 p.m.