

# AGENDA

## HOUSTON FIRST CORPORATION

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**OPERATIONS COMMITTEE MEETING**  
**November 01, 2022 – 1:00 P.M.**  
**Partnership Tower, 701 Avenida de las Americas, Suite 200**  
**Houston, Texas 77010**  
**HOUSTON FIRST BOARD ROOM**

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**COMMITTEE MEMBERS:**

Desrye Morgan (Chair), Reginald Martin (Vice-Chair), Alex Brennan-Martin, Elizabeth Brock, Dean Gladden, Steven Mitzner, Tom Segesta, Bobby Singh, Council Member Robert Gallegos

*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 the Agenda, should be directed to Lisa K. Hargrove, General Counsel at either 713-853-8965 or [Lisa.Hargrove@houstonfirst.com](mailto:Lisa.Hargrove@houstonfirst.com)*

- I. Call to Order**
- II. Public Comments**
- III. Minutes – September 14, 2022**
- IV. Presentations, Reports, and Updates**
  - A. Programming and Event Update
- V. Committee Business**
  - A. Consideration and possible recommendation of the 2023 Convention and Cultural Facilities and Services Budget.
  - B. Consideration and possible recommendation of a Janitorial Cleaning Services Agreement between Houston First Corporation and Caring Commercial Cleaning, Inc.
  - C. Consideration and possible recommendation of a Funding Agreement between Houston First Corporation and The Foundation for Jones Hall.

- D. Consideration and possible recommendation of increased funding for the Recovery Architectural Services Agreement with Harrison Kornberg Architects, LLC and ARUP Texas, Inc., a joint venture, the issuance of a new task order(s) for additional design services related to updating and completing mitigation documents for Wortham Theater and Theater District Parking Garages due to Hurricane Harvey, and a First Amendment to such Agreement.
- E. Consideration and possible recommendation of funding for an Engineering Services Agreement between Houston First Corporation and Page Southerland Page, Inc. for various services.

## **VI. Adjourn**

**III. Minutes – September 14, 2022**

# MINUTES

## HOUSTON FIRST CORPORATION

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**Operations Committee Meeting  
September 14, 2022 – 1:00 P.M.  
Partnership Tower, 701 Avenida de las Americas, Suite 200  
Houston, Texas 77010  
HOUSTON FIRST BOARD ROOM**

*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., held a meeting at Partnership Tower, 701 Avenida de las Americas, Suite 200, Houston, Harris County, Texas 77010 on Wednesday, September 14, 2022, commencing at 1:00 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 Committee Members participated in the meeting: Desrye Morgan (Chair), Reginald Martin (Vice-Chair), Dean Gladden, Steven Mitzner, and Council Member Robert Gallegos.*

1. The Committee Chair called the meeting to order at 1:04 p.m., and a quorum was established.
2. **Public Comments**. None.
3. **Review and approval of minutes from prior meetings**. Following a motion duly seconded, the minutes of April 19, 2022, and June 21, 2022, were approved as presented.
4. **Presentations, Reports, and Updates**
  - A. **Programming and Event Update**

John Gonzalez, Senior Vice President & General Manager, reported 100 events at the George R. Brown Convention Center (GRB) to date, with attendance in the third quarter at 237,279 and year-to-date total attendance at 1,150,108.

Mr. Gonzalez provided a status report on Hall A3 and B3. He reported that the columns between A3 and B3 were removed entirely. New airwalls will arrive at the GRB in December, and the work should be completed by mid-January. The hall is now 224,000 square feet of continuous space. Luther Villagomez, Chief Operating Officer, explained that a partition would replace the temporary fence removed to make room for flexibility for trade shows.

Mr. Gonzalez provided an overview of upcoming events, including the Turbomachinery & Pump Symposium the week before September 12<sup>th</sup>. The American Dental Society's (ADA's) SmileCon would be held at the GRB from Oct 13-16, and it was ADA's first-ever event in Houston. He also mentioned other events in October and November and said that 2022 would close out with John Deere, another major corporate event, in mid-December.

Todd Holloman, Vice-President, Venues and Live Events, recounted a hectic summer of programming with events that included Lutheran Church Missouri Synod youth gathering, which brought in 22,000 thousand youths over a five to six-day period, Comicpalooza, Anime Matsuri, Roseaux, and Blues and More. These events included activations of the Avenida.

Mr. Holloman highlighted a list of upcoming programming, including a party celebrating National Hispanic Heritage Month. He urged Committee Members to attend the event at the Party on the Plaza. Committee Members were also invited to view an art installation featuring work by Guadalupe Hernandez titled "Recuerdos de Juventud."

Some of the remaining events include partnerships with Discovery Green and Alley Theatre. Upcoming events include Scream on the Green, Dia de los Muertos, Frostival, and City Lights.

Mr. Holloman communicated that Lynn Wyatt Square would encompass 230 days of programming per year and feature performances by local and national performers, community events, concert series, cultural and Heritage Day celebrations, and programming in association with the local Arts community.

Mr. Gonzalez recapped events in the theaters noting first-time events such as Viva Mexico, Davenport/Sullivan wedding, and Black Lights Shining in the Darkness. The fourth quarter would include events such as the Jazz at Lincoln Center Orchestra with Wynton Marsalis and Gospel Experience III, which is a new booking. Theater attendance is on track and attendance for conventions is running at 80 percent.

Reginald Martin requested that future quarterly reports include information on the tracking of attendance and how Houston compares to other markets. Michael Heckman, President and CEO, noted that the information that Mr. Martin requested would be included at the next HFC Board meeting. Desrye Morgan also agreed that the information should be included in future reports, which should include comparative information to post-Harvey, pre-COVID, and post-COVID for Theater. Mr. Villagomez stated he would create such a report.

5. **Executive Session:**

Executive (closed) session pursuant to Texas Government Code Section 551.071 for purposes of consultation with an attorney.

Executive session began at 1:25 p.m. and ended at 1:57 p.m. No action was taken during Executive session.

6. **Committee Business**

A. Consideration and possible recommendation of an increased funding limit for the Construction Services Agreement with Manhattan Construction Company for the redevelopment of Lynn Wyatt Square for the Performing Arts.

Following a motion duly seconded, the recommendation of an increased funding limit for the Construction Services Agreement with Manhattan Construction Company for the redevelopment of Lynn Wyatt Square for the Performing Arts was approved unanimously.

B. Consideration and possible approval of adjusting the requirement for a quorum from a simple majority of the total Committee membership to three members.

Reggie asked which other committees had adopted this change. Lisa Hargrove, General Counsel stated that the Benefits, Compensation, and Finance Committee had already approved this change. Mr. Heckman added that this change would be across all committees.

Following a motion duly seconded, adjusting the requirement for a quorum from a simple majority of the total Committee membership to three members was approved unanimously.

7. **Adjourn**

The meeting was adjourned at 2:01 p.m.

**V. (A) Consideration and possible recommendation of the 2023 Convention and Cultural Facilities and Services Budget.**

**Consideration and possible recommendation of the 2023 Convention and Cultural Facilities and Services Budget.**

**RESOLVED**, that the Operations Committee of Houston First Corporation hereby recommends the 2023 Convention and Cultural Facilities Services Budget.



**V. (B) Consideration and possible recommendation of a Janitorial Cleaning Services Agreement between Houston First Corporation and Caring Commercial Cleaning, Inc.**

**Consideration and possible approval of a Janitorial Cleaning Services Agreement between Houston First Corporation and Caring Commercial Cleaning, Inc.**

**DESCRIPTION:** On July 29, 2022, Houston First issued a Best Value Invitation to Bid for Janitorial Cleaning Services for all managed facilities. On September 15, 2022, 12 proposals were received. All proposers were interviewed by the selection committee and all bids were then evaluated. The proposer with the highest score is Caring Commercial Cleaning, Inc. The proposed Janitorial Cleaning Services Agreement engages Caring Commercial Cleaning, Inc. to perform janitorial cleaning services, subject to the parameters set forth below:

- The term of the Agreement begins on January 1, 2023, and is for five years.
- The Diversity Participation Goal remains at 33%.
- The minimum hourly wage paid under the Agreement may not be less than \$15.00 per hour.

Caring Commercial Cleaning, Inc. is certified by the City of Houston as an Asian-owned Minority Business Enterprise

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

**RESOLVED**, that the Board of Directors of Houston First Corporation hereby approves and authorizes the execution of a Janitorial Cleaning Services Agreement (the "Agreement") between Houston First Corporation and Caring Commercial Cleaning, Inc., together with such conditions or modifications that are approved by the President and Chief Executive Officer, as he may determine to be in the best interest of Houston First Corporation, and to execute such Agreement; the President and Chief Executive Officer 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 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 each of the President and Chief Executive Officer 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 recommendation of a Funding Agreement between Houston First Corporation and The Foundation for Jones Hall.**

**Consideration and possible approval of a Funding Agreement between Houston First Corporation and The Foundation for Jones Hall.**

**Description:** The City of Houston (City) and Houston First have entered into an Interlocal Agreement in which the City will pay \$2.5 million dollars to Houston First for the continued upgrades to the acoustics, infrastructure, safety, audience accessibility, and amenities of Jones Hall for the Performing Arts.

HFC has further agreed, pursuant to the Interlocal Agreement, to transfer the \$2.5 million to The Foundation for Jones Hall to improve the quality of the experience at Jones Hall.

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

**RESOLVED**, that the Board of Directors of Houston First Corporation hereby approves and authorizes the finalization and execution of a Funding Agreement (the "Agreement") between Houston First Corporation and The Foundation for Jones Hall (Foundation), together with such conditions or modifications that are approved by the President and Chief Executive Officer, as he may determine to be in the best interest of Houston First Corporation, and to execute such Agreement; the President and Chief Executive Officer 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 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 each of the President and Chief Executive Officer 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. (D) Consideration and possible recommendation of increased funding for the Recovery Architectural Services Agreement with Harrison Kornberg Architects, LLC and ARUP Texas, Inc., a joint venture, the issuance of a new task order(s) for additional design services related to updating and completing mitigation documents for Wortham Theater and Theater District Parking Garages due to Hurricane Harvey, and a First Amendment to such Agreement.

**Consideration and possible approval of increased funding for the Recovery Architectural Services Agreement with Harrison Kornberg Architects, LLC and ARUP Texas, Inc., a joint venture, the issuance of a new task order(s) for additional design services related to updating and completing mitigation documents for Wortham Theater and Theater District Parking Garages due to Hurricane Harvey, and a First Amendment to such Agreement.**

**DESCRIPTION:** With regard to the Recovery Architectural Services Agreement (Agreement) with Harrison Kornberg Architects, LLC and ARUP, Texas Inc. (HKA-ARUP), Houston First management requests that the Board of Directors approve the following matters related to continued mitigation for Wortham Theater and Theater District Parking Garages:

- (i) Additional funding in an amount not to exceed \$960,000, inclusive of a contingency;
- (ii) Issuance of a new task order(s) for additional design services through the mitigation construction bidding process; and
- (iii) Execution of a First Amendment with HKA-ARUP to extend the Agreement term and containing other terms and conditions.

To date, expenditures under the HKA-ARUP Agreement total approximately \$10.2 million dollars. The joint venture has achieved 46% diversity participation toward a goal of 30%. HFC has had approximately 77% of its expenses reimbursed by FEMA.

The final design, permitting and the construction bid process, is estimated to be completed in late 2024.

**RESOLVED,** that the Board of Directors of Houston First Corporation approves the following resolutions with respect to the Harrison Kornberg Architects, LLC and ARUP Texas, Inc., a joint venture, Agreement:

**RESOLVED,** that the Board of Directors of Houston First Corporation hereby approves and authorizes the following

- (i) Additional funding in an amount not to exceed \$960,000, inclusive of a contingency;
- (ii) Issuance of a new task order(s) for additional design services through the mitigation construction bidding process; and
- (iii) Execution of a First Amendment to extend the Agreement term and containing other terms and conditions;

together with such conditions or modifications that are approved by the President & Chief Executive Officer, as he may determine to be in the best interest of the Corporation and to execute such Contract Amendments, Task Orders, Directives or other documents (collectively the "Transaction Documents") as may be required to effectively document the above three matters; the President and Chief Executive Officer is, without the necessity for joinder of any other person, authorized, empowered and directed for and on behalf of the Corporation to execute and deliver the Transaction Documents in a form as approved by President & Chief Executive Officer, or any Authorized Person (defined below), such approval to be conclusively established by the execution and delivery of the Transaction Documents by any Authorized Person; and

**FURTHER RESOLVED,** that each of the President and Chief Executive Officer and General Counsel of this Corporation is each hereby designated by this Corporation as an "Authorized Person" for purposes of this resolution and with respect to the Transaction Documents to be executed hereunder; and

**FURTHER RESOLVED**, that the Transaction Documents executed by any Authorized Person, for and on behalf of and in the name of this 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. (E) Consideration and possible recommendation of funding for an Engineering Services Agreement between Houston First Corporation and Page Southerland Page, Inc. for various services.**



**Consideration and possible approval of funding for an Engineering Services Agreement between Houston First Corporation and Page Southerland Page, Inc. for various services.**

**DESCRIPTION:** On September 24, 2021, Houston First issued a Request for Qualifications to provide Engineering Services on an as-needed basis. On October 27, 2021, 19 sets of qualifications were received. Proposers were ranked and Page Southerland Page, Inc. was ranked with the highest score. An Engineering Services Agreement with Page Southerland Page, Inc. was subsequently executed and a few small task orders have been performed under the Agreement.

Management requests that the Board of Directors approve an amount not to exceed \$700,000, going forward, for use on an as-needed basis, in response to project-specific task orders. At this time, it is anticipated that services would be utilized for construction drawings for structural repairs to the Theater District Parking Garages, drainage and structural reviews related to Hilton roof replacements, a facility assessment, inclusive of mechanical, electrical and plumbing systems, for Jones Hall and Wortham Theater, a review of operational services to replace the glass elevator at Jones Hall, a review of design and structural plans for the W Hotel to be located on top of Partnership Tower, and services related to the installation of a new building automation system for the George R. Brown Convention Center.

The diversity goal for the Engineering Services Agreement with Page Southerland Page, Inc. is 24%. An appropriate goal for each individual task order will be determined based upon the services to be performed and the divisiveness of the work.

**RESOLVED**, that the Board of Directors of Houston First Corporation approves the following resolutions with regard to the Engineering Services Agreement with Page Southerland Page, Inc.:

**RESOLVED**, that the Board of Directors of Houston First Corporation hereby approves and authorizes an amount not to exceed \$700,000, going forward, for use on an as-needed basis, in response for the issuance of project specific task orders; together with such conditions or modifications that are approved by the President and Chief Executive Officer, as he may determine to be in the best interest of Houston First Corporation, and to execute such task orders; the President and Chief Executive Officer 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 each such task order 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 a task order by any Authorized Person; and

**FURTHER RESOLVED**, that each of the President and Chief Executive Officer 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 issuance of task orders to be executed hereunder; and

**FURTHER RESOLVED**, that any task orders 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.



HOUSTON FIRST CORPORATION

# OPERATIONS COMMITTEE MEETING



River Oaks District  
RIVER OAKS

**HFC BOARD ROOM**  
**Partnership Tower**  
Tuesday, November 1, 2022  
1:00 p.m.

RIVER DISTRICT

Emancipation Park  
SOUTH CENTRAL HOUSTON

# PUBLIC COMMENTS

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Anyone who wishes to address the committee during the Public Comment session may do so by signing up on the Public Comment page at the front of the room.

**HFC OPERATIONS COMMITTEE MEETING**  
November 1, 2022

Houston Botanical Gardens  
SOUTHEAST HOUSTON

# MINUTES

September 14, 2022

**HFC OPERATIONS COMMITTEE MEETING**  
November 1, 2022

Houstonfirst

Kinder Lake  
DOWNTOWN



# COMMITTEE BUSINESS

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- A. Consideration and possible recommendation of the 2023 Convention and Cultural Facilities and Services Budget.

**MICHAEL HECKMAN**

*President & Chief Executive Officer*

**FRANK WILSON**

*Chief Financial Officer*

**LUTHER VILLAGOMEZ**

*Chief Operating Officer*

**HFC OPERATIONS COMMITTEE MEETING**

November 1, 2022

McGovern Centennial Gardens  
HERMANN PARK

# HFC'S ROLE

- HFC drives economic impact and demand generation as the Destination Marketing Organization for Houston.
- The value created by HFC for numerous stakeholders and businesses ripples throughout the community to positively impact the entire City.

# STRATEGIC PILLARS

## TRANSFORMATIONAL LEADERSHIP

Enhance and employ organizational relevance by inspiring, influencing, and leading key stakeholder groups in furtherance of HFC's mission and value for Houston.

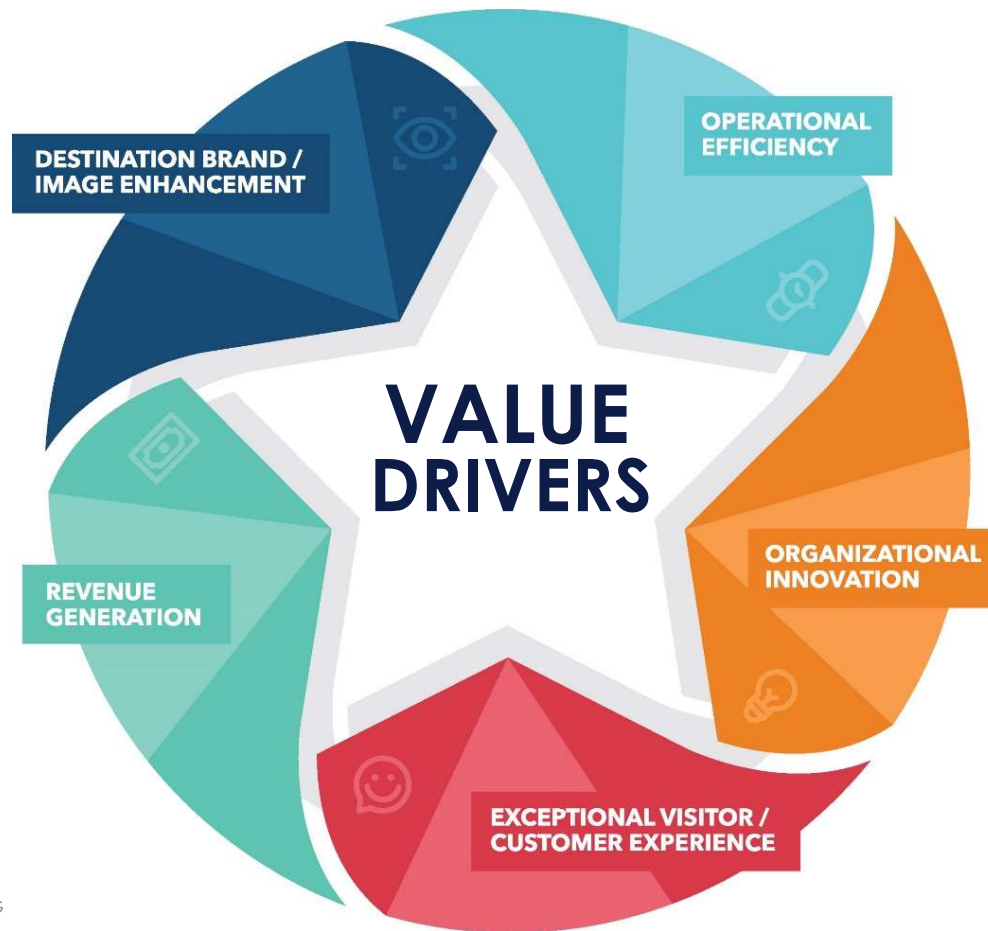
## DESTINATION DEVELOPMENT

Serve as a catalyst for initiatives that strengthen Houston's global reputation, increase travel to the city, and improve HFC's economic impact to the community.

## REVENUE DIVERSIFICATION & ASSET GROWTH

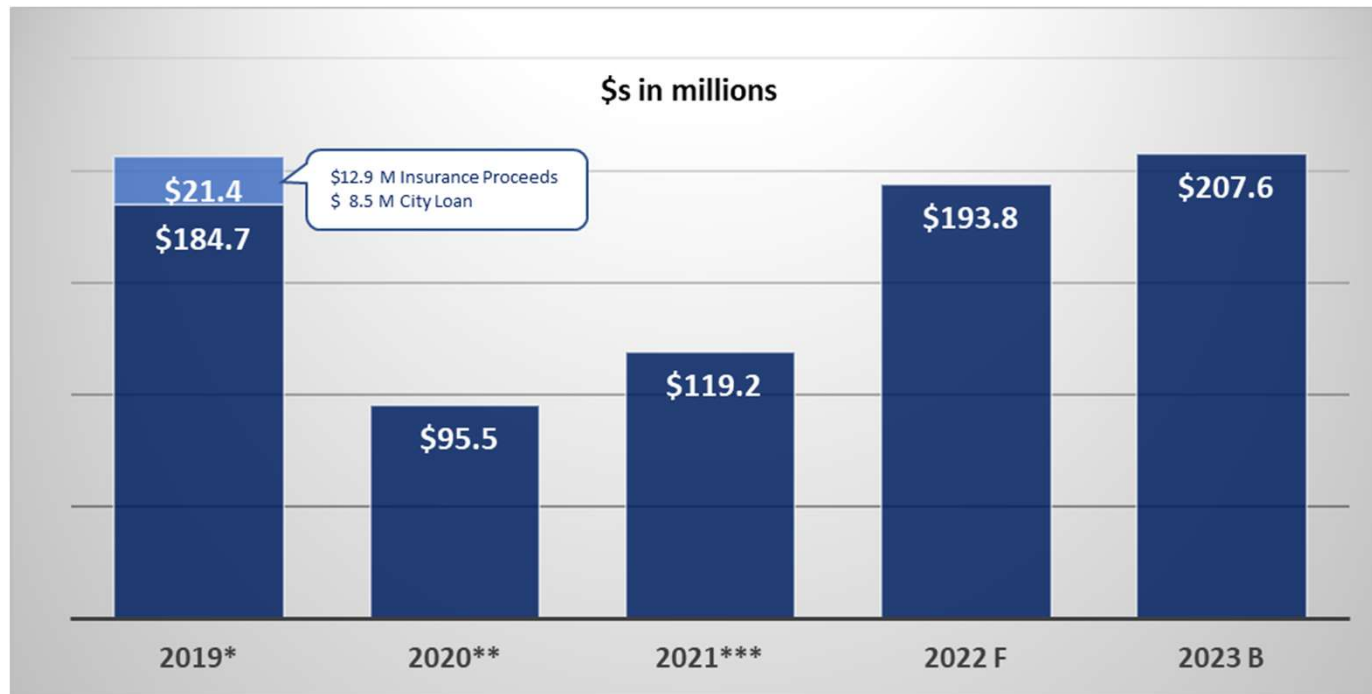
Advance new opportunities for additional revenue streams, asset growth, and financial mechanisms that strengthen HFC's financial outlook and viability.

# CORE OF VALUE CREATION



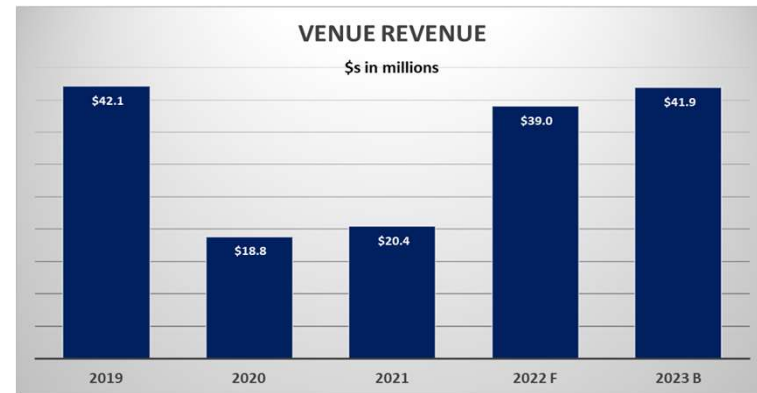
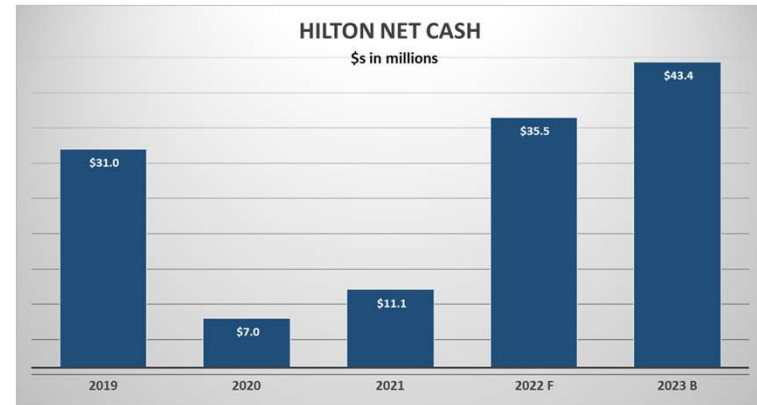
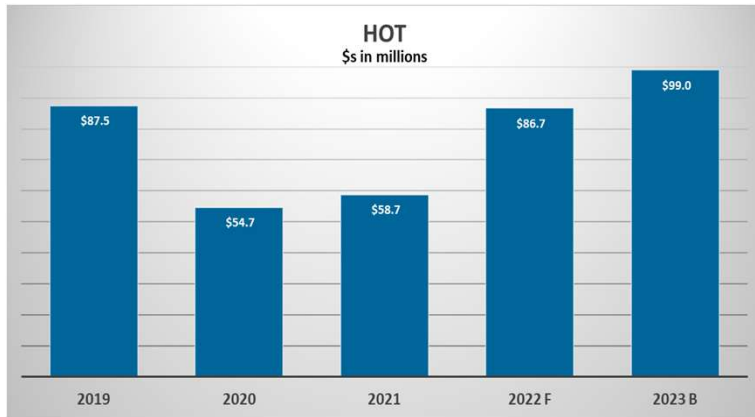


# REVENUE RECOVERY



\* Does not include \$81.9 M of FEMA reimbursements from Harvey flood damages in 2019  
\*\* Does not include \$41.3 M of FEMA reimbursements from Harvey flood damages in 2020  
\*\*\* Does not include \$415 K of FEMA reimbursements from Harvey flood damages in 2022

# RECOVERY PERFORMANCE



# CY 2022 BUDGET VERSUS FORECAST

(\$ in millions)

	2022 Budget	2022 Forecast	CHANGE
<i>Operating Revenue</i>	\$88.1	\$95.4	\$7.3
<i>Non-Operating Revenue</i>	95.2	98.8	3.6
<b>TOTAL REVENUE</b>	<b>\$183.3</b>	<b>\$194.2</b>	<b>\$10.9</b>
<i>Operating Expense</i>	\$92.0	\$88.5	(\$3.5)
<i>Non-Operating Expense</i>	104.5	104.2	(0.3)
<b>TOTAL EXPENSE</b>	<b>\$196.5</b>	<b>\$192.7</b>	<b>(\$3.8)</b>
<b>REVENUE IN EXCESS OF EXPENSE</b>	<b>(\$13.2)</b>	<b>\$1.5</b>	<b>\$14.7</b>

# 2023 PRIORITIES



- **Proliferate Houston's Unified Brand** among businesses and organizations across our community
- **Leverage and capitalize on high-profile events** like the Final Four to drive brand messaging
- **Build upon success of Houston Week in Mexico** and continue engagement and investment to make Houston the top US destination for the Mexican traveler
- **Develop a 10-year Destination Development Plan** that charts a vision for making the Houston Region even more globally competitive as a visitor and business destination
- **Understand and enhance the 360° visitor experience**
- **Continue and improve digital 'smart targeting'** of consumers to maximize travel opportunities

# 2023 PRIORITIES



- **Increase use of social media influencers** that create authentic and engaging promotion of Houston
- **Accelerate long-term city-wide convention sales**, while maximizing short-term opportunities for 2023
- **Attract national impact events** like the DNC, RNC
- **Develop annual events that drive economic impact** and enhance Houston's brand like a Juneteenth Celebration and Wine & Food Festival
- **Use opening of Lynn Wyatt Square as a catalyst** for vibrancy in the Theater District
- **Amplify Heritage Month** activities across all channels
- **Develop infrastructure and economic models for TV & film projects**

Houstonfirst

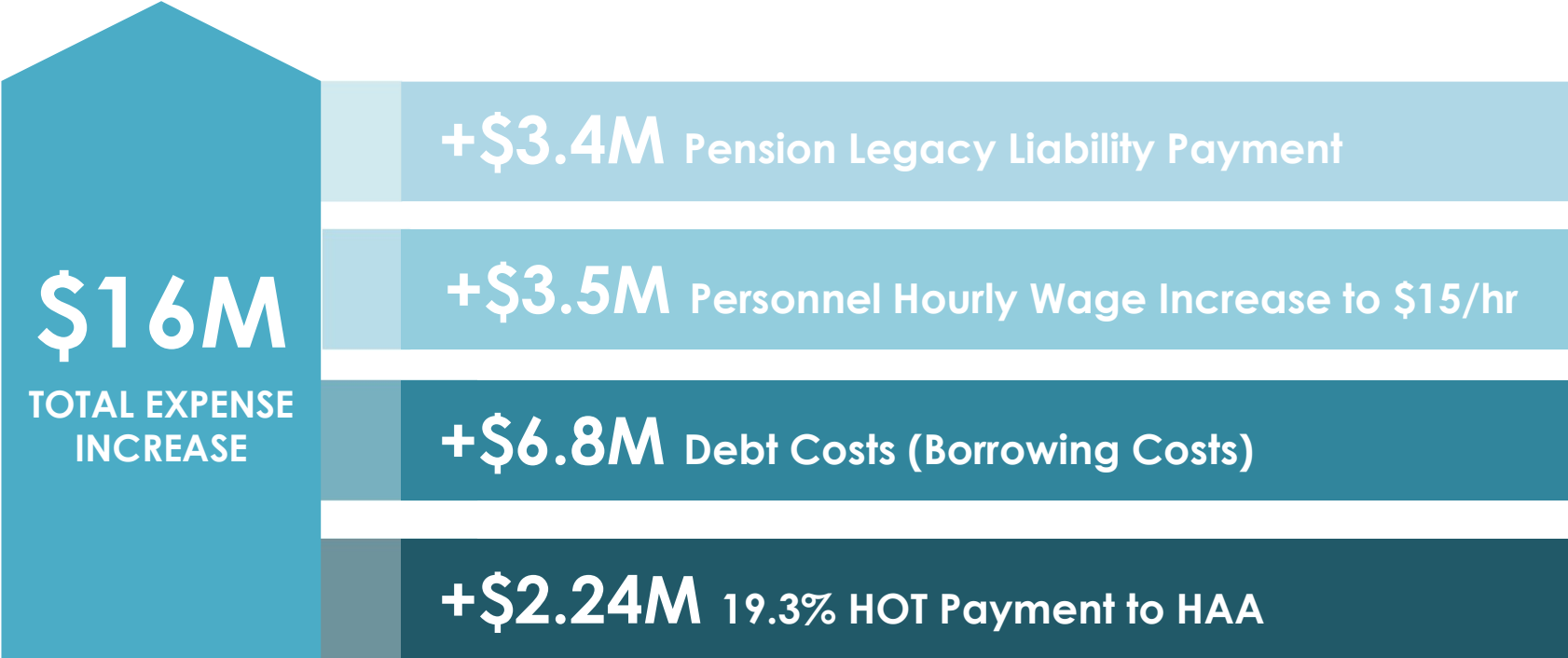
# PROPOSED CY 2023 BUDGET



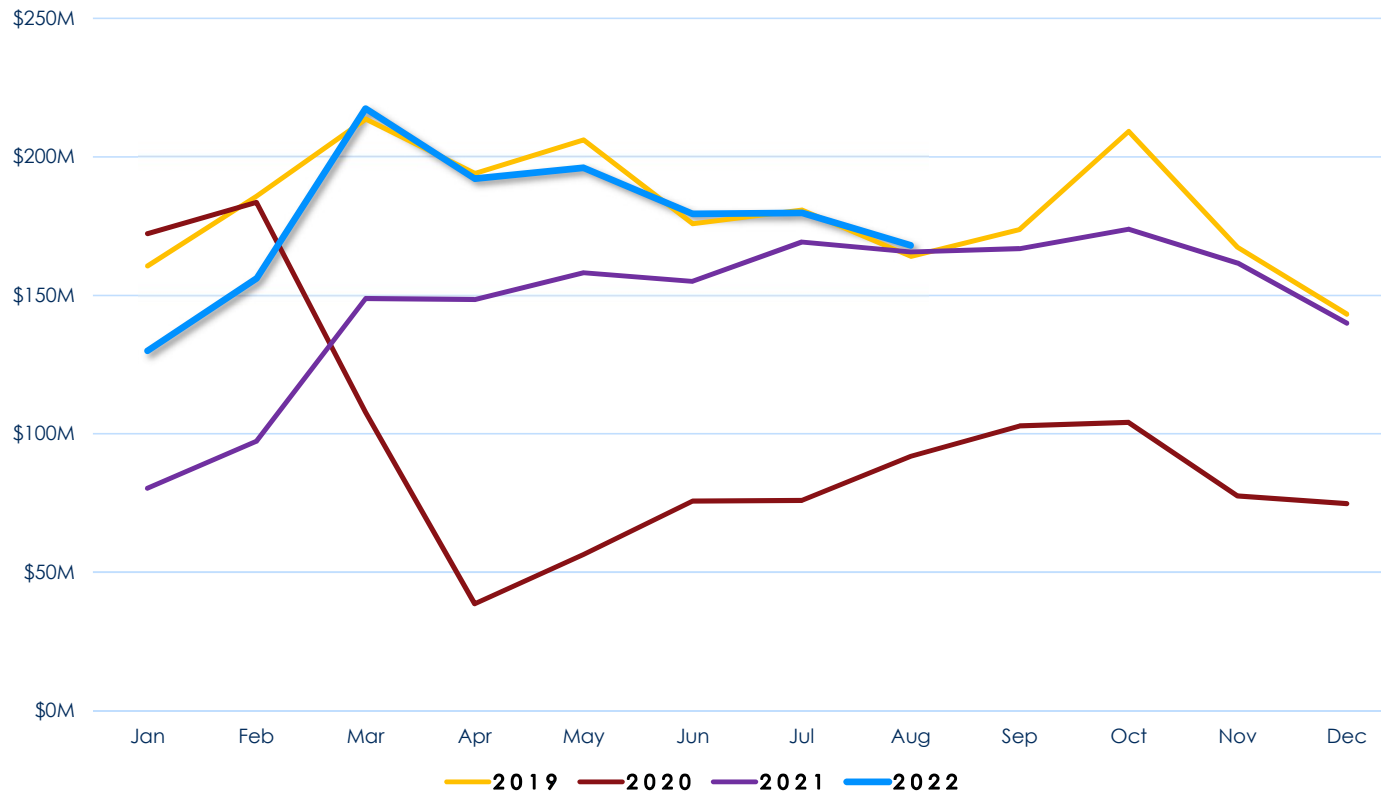
## POSITIONED FOR GROWTH & RESILIANCY

- **Total Revenues for CY 2023: \$207.6 M**
- **Total Expenses for CY 2023: \$205.9 M**
- **Revenues in Excess of Expenses: \$1.6 M**
- **Capital Expenditure: \$ 29 M**
- **Assumptions:**
  - No recession in 2023, BUT monitoring indicators and business metrics carefully
  - Leisure travel continues
  - Business travel continues improvement
  - Hotel occupancy and rate improve
  - Corporate meeting demand continues
  - Return to offices slowly improves
  - Concerts, sporting and other events drive parking
  - Continued inflation pressure
  - Rising interest rate environment

# INCREMENTAL EXPENSE INCREASES



# TOTAL HOTEL REVENUE TO THE MARKET





# PROPOSED CY 2023 BUDGET SUMMARY

	2022 Forecast Budget	2023 Proposed Budget	CHANGE
<i>Operating Revenue</i>	\$95.4	\$108.1	\$12.7
<i>Non-Operating Revenue</i>	98.8	99.5	0.7
<b>TOTAL REVENUE</b>	<b>\$194.2</b>	<b>\$207.6</b>	<b>\$13.4</b>
<i>Operating Expense</i>	\$88.5	\$100.0	\$11.5
<i>Non-Operating Expense</i>	104.2	106.0	1.8
<b>TOTAL EXPENSE</b>	<b>\$192.7</b>	<b>\$206.0</b>	<b>\$13.3</b>
<b>REVENUE IN EXCESS OF EXPENSE</b>	<b>\$1.5</b>	<b>\$1.6</b>	<b>\$0.1</b>

*(\$ in millions)*

# 2023 OPERATIONS PRIORITIES

## GEORGE R. BROWN CONVENTION CENTER

- **Draw visitation to the area, supporting restaurants and parking revenue, through public events on Avenida de las Americas as well as produce private events as new revenue opportunity:**
  - Amplify cultural awareness with events that highlight Black History, Asian American Pacific Islanders, LGBTQ, Hispanic Heritage.
  - Demonstrate local team spirit by continuing to host March Madness Watch Parties, in collaboration with the University of Houston. Also supports the Final Four in Houston 2023.
  - Host Party on the Plaza series, totaling 6-8 events, in the first half of 2023.
  - Add ambiance to the area with the launch of Blues and More at the Brown, coinciding with Astros Home Games.
  - Showcase local talent through a new, original music series called Avenida Live, featuring 24 bands over 3 weekends.

# 2023 OPERATIONS PRIORITIES

## GEORGE R. BROWN CONVENTION CENTER CONTINUED

- **Improve aesthetics** by replacing 20-year-old tables, chairs, and public area furniture, with contemporary options that are more appealing to prospects, customers, and visitors.
- **Upgrade security, improving the safety of staff, clients, and visitors:**
  - Provide best in class training program for first responders and convention/event managers, currently planning to host four emergency responder courses annually from TEEEX.
  - Upgrade cameras in strategic areas that increase visibility as well as measure foot traffic.

# 2023 OPERATIONS PRIORITIES

## THEATER DISTRICT

- **Improve Theater District parking experience** through more pronounced wayfinding that alleviates confusion within garage. All Level 1 signage/painting to be complete by end of 2023.
- **Improve small-device user experience** by replacing Wi-Fi access points and elevating Theater District system to current Wi-Fi standards.
- **Create a vibrant, comfortable, and peaceful space at Lynn Wyatt Square** for Downtown Houstonians living and working nearby including:
  - Daily (M-F) Activities
  - Interactive Art Installations and Spectacles
  - A “Small Stage” Concert Series
  - Heritage Month Programming

# 2023 OPERATIONS PRIORITIES

## JONES HALL

- **Improve the speed of patron flow in and out of the facility** by replacing the original, 50+ year-old, glass elevator, with a new safer, faster, and more reliable model.
- **Modernize facility aesthetics** by replacing public area furniture with contemporary options.
- **Make the facility more accessible to blind/low-vision guests, enhancing ADA compliance,** by expanding Aira (audio navigation services for the blind and visually impaired).

## WORTHAM CENTER

- **Increase number of sales bookings for the theater** by expanding services and increasing distribution of promotional materials.
- **Make the facility more accessible to blind/low-vision guests, enhancing ADA compliance,** by expanding Aira (audio navigation services for the blind and visually impaired).

# 2023 OPERATIONS PRIORITIES

## PARKING FACILITIES

- **Reduce customer frustrations and increase utilization** by allowing guests to reserve parking before they arrive.
- **Ensure optimal guest safety** by hiring a 3rd party consultant to evaluate parking facility conditions and recommend improvements.
- **Meet the increased demand for electric vehicle powering options** by adding 15 EV stations by end of 2023.

## HFC

- **Provide a safer and more secure environment for staff and partners/tenants** by hosting annual security trainings for HFC staff and partners that include annual Active Shooter training.
- **Defend against cyber-attacks**, by upgrading systems with Microsoft Azure Intune; ongoing monitoring; as well as providing staff required training, technical security briefings, and monthly tips and tricks.

# 2023 CAPITAL PROJECTS

## GEORGE R BROWN CONVENTION CENTER

Roof Repairs
Balcony Modification to Prevent Leaks
Tables/Chairs (3,000 ballroom chairs, approx. cost \$150-\$200/chair)
Public Area Furniture
Risers/Pallet Jacks
Boom Lift (Qty: 1)
Forklift (Qty: 1)
Electronic Wheelchair Ramp
Replace Crosswalk Pavers with Concrete @ ADLA Intersections (Qty: 4)
New Signage Cutter
Automated North GRB Ramp Gate System
Replacement of Automatic Transfer Switch 1 & 3 (Per TDI, these are not working properly & are needed during storms)

## MILLER OUTDOOR THEATRE

Replace 50-ton Roof Condensing Units & Evaporator Coils (Qty:2)
Stage, Pit Floor & A/C Replacement (Design 2023, Construction 2024)
Two A/C mini splits for box office & janitorial office
Replace Water Fountains
Bicycle Racks

## JONES HALL

Replace 10,000 lbs. Glass Elevator
Replace Roof
Roof Smoke Hatch Replacement (Qty: 6) (Life Safety- includes roof work)
Replace Encore Café Tables & Chairs
Replace Rooftop Perimeter Incandescent Lights with LED Strips
Install New Water Conditioning System
Boiler Replacement (Qty:2)
Jones Backstage Funding
Replace 50-ton Roof Condensing Units & Evaporator Coils (Qty:2)

## WORTHAM THEATER CENTER

Purchase Forklift (Qty: 1)
Replace Tables & Chairs
Repair Fish Plaza Pavers
Green Room Refresh
Replace Rooftop Perimeter Incandescent Lights with LED Strips
Install New Water Conditioning System
WCOC Backstage Funding
Flood Mitigation in Theater District

## OTHER TD PROJECTS

Flood Mitigation in Theater District
Lynn Wyatt Square ("LWS") Completion
TDPG - Structural Assessment '22, Phased Repairs '23-'26
Technology Replacements/Refresh/Network & Server Upgrades
Technology Replacements / Refresh/ Network & Server Upgrades
Parking Garage Operations Projects
Cameras
Civic Art

**TOTAL PROJECTS: \$29 MILLION**

# LYNN WYATT SQUARE

## PRELIMINARY ANNUAL OPERATING COSTS

EXPENDITURE	AMOUNT
PROGRAMMING	\$1,000,000
JANITORIAL	232,960
SECURITY	204,000
INSURANCE	186,000
FACILITY MAINTENANCE	50,000
UTILITIES (electricity, gas, water, sewer)	42,000
LANDSCAPING	10,000
<b>TOTAL</b>	<b>\$1,724,960</b>



# 2023 OPERATIONS BUDGET\*

	CY19 Actuals	CY20 Actuals	CY21 Actuals	CY22 Original Budget	CY22 Revised Budget	CY22 Forecast	CY23 Budget	Variance h/(l) than CY22 Forecast
Venue Revenue	\$ 42,055,432	\$ 18,850,412	\$ 20,410,722	\$ 37,980,859	\$ 37,980,859	\$ 39,047,546	\$ 40,615,300	\$ 1,567,754
Parking	\$ 19,282,150	\$ 9,926,614	\$ 14,229,842	\$ 17,013,729	\$ 17,013,729	\$ 19,173,288	\$ 19,903,565	\$ 730,277
Miscellaneous	\$ 405,069	\$ 52,441	\$ 131,933	\$ 90,000	\$ 90,000	\$ 138,800	\$ 227,400	\$ 88,600
<b>Operating Revenues</b>	<b>\$ 61,742,650</b>	<b>\$ 28,829,467</b>	<b>\$ 34,772,498</b>	<b>\$ 55,084,588</b>	<b>\$ 55,084,588</b>	<b>\$ 58,359,633</b>	<b>\$ 60,746,265</b>	<b>\$ 2,386,632</b>
Personnel	\$ 7,861,482	\$ 5,612,652	\$ 4,424,971	\$ 6,594,589	\$ 6,549,589	\$ 6,398,458	\$ 6,984,625	\$ 586,167
Advertising & Promotion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel, Promotion, and Events	\$ 174,412	\$ 62,132	\$ 49,707	\$ 332,655	\$ 259,278	\$ 282,406	\$ 261,449	\$ (20,957)
Facility Maintenance	\$ 8,715,495	\$ 4,277,642	\$ 4,934,726	\$ 8,519,550	\$ 8,423,845	\$ 7,659,367	\$ 10,191,295	\$ 2,531,928
Food and Beverage	\$ 16,716,532	\$ 6,996,557	\$ 5,791,908	\$ 15,746,824	\$ 15,571,824	\$ 14,239,740	\$ 14,943,235	\$ 703,495
Security	\$ 4,141,859	\$ 3,346,949	\$ 3,124,623	\$ 3,431,473	\$ 3,431,473	\$ 3,676,024	\$ 5,454,933	\$ 1,778,909
Utilities	\$ 4,231,943	\$ 3,272,348	\$ 3,876,567	\$ 5,169,980	\$ 5,177,730	\$ 5,486,753	\$ 5,767,314	\$ 280,560
Parking	\$ 3,465,167	\$ 1,735,425	\$ 1,714,503	\$ 2,190,859	\$ 2,172,609	\$ 2,107,951	\$ 2,424,329	\$ 316,378
Janitorial	\$ 6,318,350	\$ 2,201,173	\$ 2,795,664	\$ 4,169,912	\$ 4,374,912	\$ 5,588,946	\$ 6,534,287	\$ 945,341
Insurance	\$ 3,623,342	\$ 4,195,896	\$ 4,378,978	\$ 4,957,868	\$ 4,914,643	\$ 4,837,181	\$ 5,512,948	\$ 675,767
Lease Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Consulting	\$ 1,065,143	\$ 647,577	\$ 358,720	\$ 837,500	\$ 1,345,725	\$ 1,493,906	\$ 710,000	\$ (783,906)
Supplies	\$ 1,337,228	\$ 399,096	\$ 306,930	\$ 1,103,880	\$ 784,550	\$ 715,992	\$ 815,500	\$ 99,508
Fees & Services	\$ 507,006	\$ 221,281	\$ 258,977	\$ 476,525	\$ 524,186	\$ 557,435	\$ 604,200	\$ 46,765
Computer Services	\$ 6	\$ -	\$ -	\$ 1,078,486	\$ 1,088,734	\$ 1,091,456	\$ 1,002,096	\$ (89,360)
Legal Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 267,846	\$ 213,608	\$ 205,026	\$ 499,664	\$ 515,220	\$ 401,316	\$ 471,544	\$ 70,228
<b>Operating Expenses</b>	<b>\$ 58,425,813</b>	<b>\$ 33,182,335</b>	<b>\$ 32,221,301</b>	<b>\$ 55,109,765</b>	<b>\$ 55,134,318</b>	<b>\$ 54,536,931</b>	<b>\$ 61,677,755</b>	<b>\$ 7,140,824</b>
<b>Net Income From Operations</b>	<b>\$ 3,316,838</b>	<b>\$ (4,352,868)</b>	<b>\$ 2,551,197</b>	<b>\$ (25,177)</b>	<b>\$ (49,730)</b>	<b>\$ 3,822,702</b>	<b>\$ (931,490)</b>	<b>\$ (4,754,192)</b>

\* Includes budgets for Convention & Cultural Facilities, IT, and Urban Development

# 2023 OPERATIONS BUDGET\*

	CY19 Actuals	CY20 Actuals	CY21 Actuals	CY22 Original Budget	CY22 Revised Budget	CY22 Forecast	CY23 Budget	Variance h/(l) than CY22 Forecast
Hotel Occupancy Tax (Current & Delinquent)	\$ -	\$ -	\$ -					\$ -
Contributions	\$ 1,260,000	\$ 770,000	\$ 8,000,000	\$ 11,335,000	\$ (11,335,000)	\$ 11,335,000	\$ -	\$ (11,335,000)
Net Available Pledged Rev. Transfer	\$ -	\$ 557,163	\$ 194,855	\$ -	\$ -	\$ -		\$ -
Interest Income	\$ 20,831	\$ 57,324	\$ 37,940	\$ 48,462	\$ 48,462	\$ 48,657	\$ 93,969	\$ 45,312
<b>Non-Operating Revenues</b>	\$ 1,280,831	\$ 1,384,487	\$ 8,232,796	\$ 11,383,462	\$ 11,383,462	\$ 11,383,657	\$ 93,969	\$ (11,289,688)
<b>Non Operating Revenue</b>	\$ 1,280,831	\$ 1,384,487	\$ 8,232,796	\$ 11,383,462	\$ 11,383,462	\$ 11,383,657	\$ 93,969	\$ (11,289,688)
Sponsorship Expense	\$ 3,989,280	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-COH Contractual Obligations	\$ -	\$ 3,190,382	\$ 2,901,237	\$ 3,634,410	\$ 3,690,335	\$ 3,703,861	\$ 3,474,348	\$ (229,513)
Programming & Events	\$ -	\$ 535,224	\$ 735,159	\$ 1,750,000	\$ 1,750,000	\$ 1,751,675	\$ 2,200,000	\$ 448,325
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Spending	\$ 2,108,309	\$ -	\$ 6,653,258	\$ 11,471,000	\$ 11,814,446	\$ 13,138,132	\$ 1,215,582	\$ (11,922,550)
Debt Service	\$ -	\$ -	\$ -					\$ -
COH Contractual Obligations	\$ 645,933	\$ 645,933	\$ 650,281	\$ 649,402	\$ 649,477	\$ 600,591	\$ 596,864	\$ (3,727)
Hotel Tax Refunds	\$ -	\$ -	\$ -					\$ -
<b>Non Operating Expense</b>	\$ 6,743,523	\$ 4,371,538	\$ 10,939,935	\$ 17,504,812	\$ 17,904,258	\$ 19,194,261	\$ 7,486,794	\$ (11,707,467)
<b>Total Revenue less Expenses</b>	\$ (2,145,854)	\$ (7,339,920)	\$ (155,942)	\$ (6,146,527)	\$ (6,570,525)	\$ (3,987,902)	\$ (8,324,315)	\$ (4,336,413)
Capital - Prior Year Carry Forward	\$ -	\$ -	\$ -	\$ 574,251	\$ -	\$ -	\$ 9,542,277	\$ 9,542,277
Capital - Financed Projects	\$ -	\$ 868,132	\$ 213,400	\$ 11,636,795	\$ 12,712,727	\$ 4,207,418	\$ 13,691,543	\$ 9,484,125
Disaster Expense	\$ 25,631,154	\$ 12,010,943	\$ 1,358,434	\$ 263,000	\$ 281,250	\$ 274,573	\$ -	\$ (274,573)
<b>Total Revenues</b>	\$ 63,023,482	\$ 30,213,954	\$ 43,005,294	\$ 66,468,050	\$ 66,468,050	\$ 69,743,290	\$ 60,840,234	\$ (8,903,056)
<b>Total Expenses</b>	\$ 65,169,335	\$ 37,553,873	\$ 43,161,236	\$ 72,614,577	\$ 73,038,575	\$ 73,731,192	\$ 69,164,549	\$ (4,566,643)
<b>Net Profit/(Loss)</b>	\$ (2,145,854)	\$ (7,339,920)	\$ (155,942)	\$ (6,146,527)	\$ (6,570,525)	\$ (3,987,902)	\$ (8,324,315)	\$ (4,336,413)

\* Includes budgets for Convention & Cultural Facilities, IT, and Urban Development

Hines Lake  
MEMORIAL PARK

# COMMITTEE BUSINESS

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- B.** Consideration and possible recommendation of a Janitorial Cleaning Services Agreement between Houston First Corporation and Caring Commercial Cleaning, Inc.

**MITCH MISZKOWSKI**  
*Purchasing Agent*

**HFC OPERATIONS COMMITTEE MEETING**  
November 1, 2022

**Houston**first

# PROCESS OF SOLICITATION

## July

- 7.29: ITB Issue Date
- 7.29-8.5 Advertised  
Houston Business Journal  
Houston Defender  
Southern Chinese Daily  
News

## September

- 9.15: Submission  
Deadline

## October

- 10.3&4 Interviews (6)  
per day
- 10.5 Public Bid  
Opening
- 10.14 Selection  
Committee Meeting

## November

- 11.1 OPS Committee  
Meeting
- 11.10 HFC Board of  
Directors

# SELECTION COMMITTEE

**KAREN WILLIAMS**

*Senior VP of Finance*

**KERRY WARNER**

*Facilities Superintendent*

**JOHN GONZALEZ**

*Senior VP & General Manager*

**DAVID GERDY**

*Director of Operations — NRG Park*

**BEN WILLIAMS**

*Director of Security*

# PROPOSERS

**CARING  
COMMERCIAL  
CLEANING, INC.**

\$2,678,252.00  
Score: 464

*UnitedService  
Companies*

\$2,669,682.72  
Score: 458

**KLEEN-TECH**

\$2,678,252.00  
Score: 437

 **midwest  
maintenance**

\$3,042,774.60  
Score: 436

 **LGC GLOBAL**

\$2,572,365.72  
Score: 432

 **TG  
TRANSSEED  
GROUP**

\$2,597,737.88  
Score: 355

 **PRITCHARD**  
SPORTS & ENTERTAINMENT GROUP

\$4,280,261.94  
Score: 353

**DLP**  
Cleaning services

\$2,510,120.80  
Score: 340

**dexterra**  
GROUP

\$2,181,875.00  
Score: 324

 **StarBuildingServices**  
Maintenance & Cleaning Services

\$2,531,924.76  
Score: 319

**Well Done**  
CLEANING SERVICES

\$2,769,938.00  
Score: 297

 **VGC AIRMEDIQUE**

\$3,638,799.24  
Score: 253

# HFC RECOMMENDATION

## **CARING COMMERCIAL CLEANING**

- Asian-owned business, COH MBE certified
- Based in Sugar Land, TX, founded in 2007
- Fee at \$2,678,252 below \$2,888,688 avg of the 12 proposals
- Current clients include
  - Harris County, Metro, HCC, HISD
- Diversity Partner (33% Goal)
  - The Cleaning Source
  - Hispanic-owned business, COH MBE certified

Jones Hall  
THEATER DISTRICT



# COMMITTEE BUSINESS

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- C. Consideration and possible recommendation of Funding Agreement between Houston First Corporation and The Foundation for Jones Hall.

**MICHAEL HECKMAN**

*President & Chief Executive Officer*

**HFC OPERATIONS COMMITTEE MEETING**

November 1, 2022



Wortham Theater  
THEATER DISTRICT



# COMMITTEE BUSINESS

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- D. Consideration and possible recommendation of increased funding for the Recovery Architectural Services Agreement with Harrison Kornberg Architects, LLC and ARUP Texas, Inc., a joint venture, the issuance of a new task order(s) for additional design services related to updating and completing mitigation documents for Wortham Theater and Theater District Parking Garages due to Hurricane Harvey, and a First Amendment to such Agreement.

**ROKSAN OKAN-VICK, FAIA**

*Urban Development Officer*

**HFC OPERATIONS COMMITTEE MEETING**

November 1, 2022

**Houstonfirst**



## REQUEST: \$960,000

- 1. WHO** – Harrison Kornberg Architects, LLC and ARUP Texas, Inc., a joint venture
- 2. WHY** – To update 2019 Theater District mitigation design documents
- 3. WHAT** – Main scope elements:
  - Incorporate all HMP and other updates to 4 sets:
    - **Wortham**
    - **Green garage**
    - **Blue garage**
    - **Yellow garage**
  - Provide permit sets
  - Provide CDs for bidding
  - Provide estimated cost and schedule for construction
- 4. Diversity participation to date @ 46%**
- 5. Includes reimbursables and 20% contingency**

# BUDGET STATUS

	<u>2/18/21 APPROVED \$</u>	<u>11/01/22 PROPOSED \$</u>	<u>VARIANCE \$</u>
<b>Recovery, Restoration &amp; Mgmt.</b>	142,540,727	142,540,727	0
<b>Initial Project Design, Doc, &amp; CA</b>	10,299,083	10,299,083	0
<b>Mitigation Completion Design</b>	0	960,000	960,000
<b>Total Project Budget</b>	<b>152,839,810</b>	<b>153,799,810</b>	<b>960,000</b>

**Total FEMA Reimbursement to date: \$127,700,000 (84%)**

George R. Brown Convention Center  
DOWNTOWN



# COMMITTEE BUSINESS

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- E. Consideration and possible recommendation of funding for an Engineering Services Agreement between Houston First Corporation and Page Southerland Page, Inc. for various services.

**LUTHER VILLAGOMEZ**  
*Chief Operating Officer*

**ROKSAN OKAN-VICK, FAIA**  
*Urban Development Officer*

**HFC OPERATIONS COMMITTEE MEETING**  
November 1, 2022

**Houstonfirst**



## REQUEST: \$700,000



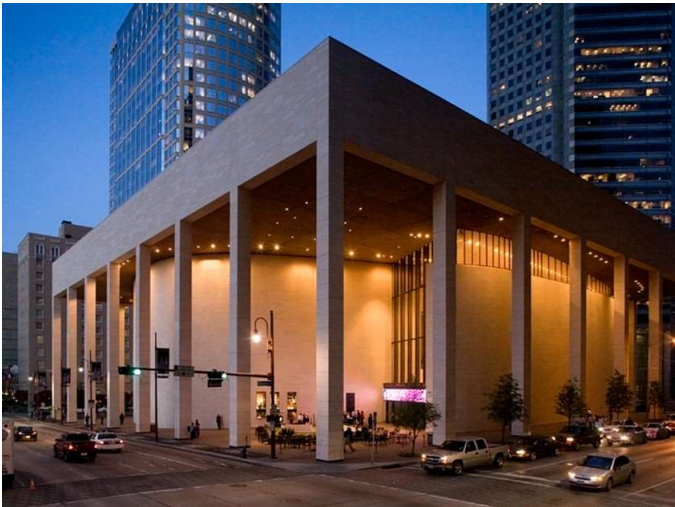
### 1. WHO – Page Southerland Page, Inc.

- Selected November 2021 through RFQ Process

### 2. WHY – To provide **design services** for various smaller capital projects

### 3. WHAT – **AE Services** for items like:

- TD garages structural repairs for safety
- Hilton roof structural and drainage reviews for re-roofing projects
- Jones Hall glass elevator replacement
- GRB BAS system
- Wortham and Jones Hall facility assessments



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