Houstonfirst

MINUTES

HOUSTON FIRST CORPORATION

BOARD OF DIRECTORS MEETING
September 17, 2026, beginning at 8:00 A.M.
Partnership Tower, 701 Avenida de las Americas, Ste. 200
Houston, Texas 77010
HOUSTON FIRST BOARD ROOM

The Board of Directors ("Board") of Houston First Corporation (the "Corporation"), a Texas local corporation created and organized by the City of Houston 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, Ste 200, Houston Harris County, Texas 77010 on Thursday, September 17, 2026, commencing at 8:00 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.

I. **Call to Order**. The meeting was called to order at 8:01 a.m. A quorum was established with the following Board Members in attendance: Jay Zeidman (Chair), Sofia T. Gonzalez, Nicki Keenan, Shareen Larmond, Wea H. Lee, Ryan Martin, Roxann Neumann, Paul Puente, Bobby Singh, and Council Member Joaquin Martinez (ex-officio). Elizabeth Brock, Council Member Twila Carter (ex-officio), and Dawn Fu-Kuei Lin were not present.

II. **Public Comments**. Jacob Klementich addressed the Board and expressed his appreciation. He informed the Board that he would be honored at City Hall November 11, 2026, and extended an invitation to the Board members to attend.

III. **Minutes**. Following a duly seconded motion, the minutes for May 21, 2026, were approved as presented.

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

A. Chairman's Remarks

Chair Jay Zeidman called the meeting to order and provided opening remarks regarding the continued progress of the George R. Brown grounds redevelopment project. He noted that the long-term vision for the campus is increasingly taking shape and that visible progress is being made both within

and beyond the immediate project footprint. Mr. Zeidman also referenced ongoing leadership engagement and collaboration with CenterPoint Energy regarding utility infrastructure and gas line matters associated with the development.

The Chair acknowledged the substantial work completed by the Board's committees in advance of the meeting. He emphasized that the committee structure enables thorough review, analysis, and deliberation of key matters, allowing the full Board to focus on strategic discussions and decision-making. He commended the committee chairs, Board members, and staff for their diligence and support.

In closing, Mr. Zeidman reflected on recent organizational activities and engagements. He expressed appreciation for the dedication, professionalism, and hard work of staff, recognizing their contributions to the continued success and advancement of the institution.

B. CenterPoint Energy Report

Jesus Soto, Jr., Executive Vice President & Chief Operating Officer with CenterPoint, provided an update on system resiliency, reliability, and growth initiatives**.** Following Hurricane Beryl, he said, CenterPoint launched a multi-year resiliency program focused on strengthening infrastructure through pole replacements, enhanced vegetation management, intelligent grid technology, and expanded weather monitoring capabilities.

He reported that these investments are reducing outage duration, while ongoing efforts are focused on addressing the frequency of brief service interruptions. Mr. Soto noted that system improvements have increased available capacity and strengthened Houston's attractiveness for data centers, advanced manufacturing, and other economic development opportunities.

He emphasized the importance of maintaining reliable infrastructure, supporting growth, and operating at the speed of business while continuing to seek stakeholder feedback.

C. President & CEO Report

Michael Heckman, President & CEO, reported that the national travel industry remains strong, with sustained demand for both domestic and international travel despite ongoing policy discussions affecting international visitation. He noted that economic fundamentals remain favorable, supporting continued growth in the travel sector.

He said Houston experienced exceptional tourism performance, including a record-setting March and continued momentum throughout the summer. He added that the Corporation is on pace for a record year in hotel revenue

collections and remains focused on strategic priorities aligned with its mission and long-term objectives.

He noted that Houston continues to outperform competitor markets and attributed the results to strong convention performance, leisure travel demand, and a strategic focus on maximizing the value of business opportunities. The organization, he explained, is increasingly emphasizing strategies, targeting events that provide the greatest economic impact based on timing, demand, and overall value to the destination.

Mr. Heckman stated that the Corporation continues to prioritize strong engagement with the hospitality community through regular communication and outreach initiatives. He highlighted the Destination Strategy & Insights events and reported a year-over-year increase in website traffic, strong newsletter engagement, and growth of the organization's LinkedIn audience.

Mr. Heckman reported that the City of Houston advanced to No. 9 on Resonance's America's Best Cities list**,** noting that the ranking is based on a comprehensive, data-driven evaluation of livability, resident sentiment, and other key metrics. He stated that the recognition reflects the City's continued progress and growing reputation.

Mr. Heckman also highlighted that U.S. News & World Report ranked Houston No. 5 in its inaugural Best Conference Cities list, placing it alongside leading destinations such as Las Vegas, Orlando, and Chicago. He noted that ongoing investments in hospitality and convention assets are expected to further strengthen the City's position.

Mr. Heckman noted that Discovery Green is widely recognized as a premier urban green space and a valuable community asset, supported by strong leadership and donor engagement. He reported that Houston First will be honored at Discovery Green's Gala on the Green in February 2027, and expressed appreciation for the recognition, noting the longstanding and successful partnership between the two organizations.

Mr. Heckman emphasized the importance of maintaining a disciplined, mission-focused strategy rather than making significant directional changes. He highlighted the Corporation’s strong budget performance, confidence in future investments, and the need to remain focused despite numerous community requests. As the only organization serving this role, he explained, the hospitality community depends on its continued success. He concluded by thanking Chair Zeidman and the Board for their support of mission-driven strategies and budgets.

Mr. Nathan Tollett, Sr. Vice President, Sales and Client Services, reported strong returns on industry investments, with significant year-to-date increases

in lead volume and room night. The Sales team, he said, continues to pursue long-term opportunities. Mr. Tollett emphasized that success is driven by active pursuit and conversion of opportunities, reinforcing confidence in the Corporation sales strategy.

Mr. Tollett reported that site visits remain a key driver of business development, providing prospective clients with an opportunity to experience the destination and its facilities firsthand. He noted that recent convention and facility investments have strengthened the destination's market position and generated increased interest.

Holly Clapham, Chief Marketing Officer, reported on World Cup marketing efforts. She noted that, while FIFA was responsible for tournament promotion, and the Corporation was not an official partner, the event was leveraged to raise Houston's profile internationally.

Ms. Clapham reported that Visit Houston’s marketing partnerships and digital campaigns continued to deliver strong visitation, including flights, and hotel bookings. Tracking data, according to Ms. Clapham, identified more than a significant volume of travelers who visited Houston after engaging with campaign content, demonstrating expanded market reach beyond traditional feeder markets.

Ms. Clapham emphasized that the organization’s digital platforms now serve as highly effective media channels that strengthen brand awareness, support organizational priorities, and drive measurable visitation outcomes. She also noted significant growth across Visit Houston’s social media ecosystem, led by Hola Houston, driven largely by growth in Mexico.

Jorge Franz, Sr. Vice President, Tourism and Industry Relations, introduced Matt Stiker, SVP with KHM Agency, to discuss Houston’s growing momentum as a film destination. Mr. Stiker said Houston is supported by strong collaboration amongst the Corporation, its partners, and the film industry, which contributes to the city’s economic and cultural development. He identified Houston’s diverse filming locations, community support, and extensive air connectivity as key strengths, while noting challenges related to industry awareness, capacity constraints, and competition from other Texas markets.

Mr. Stiker also highlighted recent incentive programs, workforce development initiatives, and planned investments in studio and production infrastructure as opportunities for continued industry growth. He outlined strategic priorities to position Houston as the film capital of Texas, strengthen collaboration among government, education, tourism, and industry partners, and maximize the economic and tourism benefits of film production, emphasizing the importance of a stronger Houston Film Commission in advancing these efforts.

Mr. Franz provided an update on the film incentive program and mentioned several projects supported since the program's launch. He highlighted the economic impact of film production, which includes direct industry benefits as well as impacts on hospitality, construction, restaurants, and related sectors.

In conclusion, Mr. Franz emphasized that continued industry growth will depend on workforce development, industry collaboration, and efforts to strengthen Houston's competitiveness as a production destination, noting positive trends in production activity, crew utilization, and economic impact.

D. Financial Report

Frank Wilson, Chief Financial Officer, reported that revenue continued to outperform budget, driven by strong hotel occupancy tax collections, convention activity, parking revenue, and Hilton Americas performance. Convention center activity remained strong, he said, and venue revenue exceeded budget overall.

Mr. Wilson said major expense categories remained at or below budget. He attributed higher than budget general expenses and food and beverage costs to operational activity and timing issues expected to normalize as the year progressed.

Mr. Wilson noted that overall revenues exceeded budget, producing a favorable variance through midyear. He added that future revenue opportunities are expected as certain state incentive arrangements expire.

Non-operating expenses, according to Mr. Wilson, were slightly above budget due primarily to debt service and timing-related advertising expenditure. He also stated that capital spending remained below budget because of project timing, and management did not expect capital expenditure to reach the full annual budget by year-end.

E. Development Update

John Mooz, Senior Managing Director at Hines, reported that the Convention District project continues to progress on budget and on schedule. The new parking garage, he said, received a temporary certification of occupancy on and opened to customers as scheduled.

Mr. Mooz stated construction activities continue to advance across the site, including concrete placement, tunnel excavation, atrium steel installation, and corridor infrastructure improvements. He noted that steel erection remains substantially on schedule, with only minor weather-related delays. Mr. Mooz went on to explain that trade contracts have been carried out, and procurement and award activities for remaining work packages are progressing as planned.

Mr. Mooz highlighted the successful relocation of a major electrical feed serving the central business district and areas east of the highway. He acknowledged the collaborative efforts of CenterPoint, the City of Houston, and other stakeholders in completing the complex relocation, which removed a significant construction constraint and supports future district connectivity.

Mr. Mooz reported that the project remains within budget parameters, with slightly more than one-third of budgeted funds expended to date.

Mr. Heckman briefly reported on the Rustic. He stated that the project remains on schedule and within budget, with an opening anticipated in March.

V. Board Business

A. Consideration and possible approval of a resolution accepting the annual Financial Audit for the Corporation for the fiscal year ending December 31, 2025.

Mr. Zeidman reported that the Finance & Asset Management Committee had reviewed this item and received a comprehensive presentation from management and RSM, the Corporation's independent external auditor, regarding Houston First Corporation's 2025 financial audit. He noted that the audit resulted in an unmodified opinion and commended the management team for its efforts in achieving this outcome. Mr. Zeidman explained that, following discussion and the opportunity for questions, the Finance & Asset Management Committee unanimously recommended approval of the item by the Board.

Heath Jackson, Sr. Manager with RSM, reviewed the 2025 Annual Report. He highlighted key differences between the annual audited financial statements and monthly operating reports, noting that the Corporation's financial position remains strong.

Mr. Jackson further reported that the independent auditors issued an unmodified opinion and identified no audit adjustments, significant accounting issues, or disagreements with management. He then provided an overview of Governmental Accounting Standard Board requirements, noting that the new standard primarily affects financial statement presentation and disclosure requirements and does not change the organization's underlying financial position.

Following a duly seconded motion, the resolution was approved unanimously.

B. Consideration and possible approval of a resolution approving an Amended and Restated Hotel Occupancy Tax Rebate Policy.

Nicki Keenan, Chair of the Governance and Compensation Committee, stated that the Corporation and the City of Houston have the authority to provide Hotel Occupancy Tax rebates for hotel projects determined to be in the best interests of Houston First and that support increased market demand.

She noted that the incentive program had been utilized for prior projects, including the Marriott Marquis, which has contributed significantly to Houston's competitiveness as a convention destination since its opening.

Ms. Keenan reported that the current rebate policy had not been updated since 2014 and, given the increasing number of projects seeking tax rebates, the Governance Committee determined that a policy review was warranted. She stated that the proposed update was designed to reflect evolving market conditions and the ongoing transformation of the convention district.

Ms. Keenan further reported that, at its most recent meeting, the Committee received presentations from management, legal counsel, and consultants regarding the proposed policy. Following extensive discussion, she said, the Committee concluded that the policy appropriately balanced the need to incentivize projects that would enhance Houston's attractiveness as a convention market while increasing demand within the city.

On behalf of the Committee, Ms. Keenan noted that the Governance and Compensation Committee unanimously recommended approval of the policy by the Board.

Mr. Heckman presented the proposed hotel occupancy tax rebate policy, noting that the organization has received numerous rebate requests and must prioritize incentives that generate new convention and tourism demand. He cited findings from the Hunden Partners feasibility study identifying the need for additional large convention hotels to enhance destination competitiveness. He explained that the proposed policy establishes objective eligibility criteria, including a minimum of 500 guest rooms and 50,000 square feet of meeting or event space, while clarifying that eligibility does not guarantee approval. He stated that the policy was developed to be project-neutral and aligned with the Corporation’s long-term convention development strategy.

Following a duly seconded motion, the resolution was approved unanimously.

C. Consideration and possible approval of a resolution granting supplemental approval authority in connection with the Texas Event Trust Funds.

Ms. Keenan, Chair of the Governance and Compensation Committee, reported that the proposed amendment had been reviewed by the Committee at its recent meeting. She explained that the amendment clarifies the CEO's

spending authority with respect to expenditures expected to be reimbursed through the State Event Trust Fund.

Ms. Keenan stated that the Committee believes the amendment represents a prudent and responsible enhancement to the General Authorities Resolution, while providing management with the flexibility necessary to negotiate transaction structures and secure business in a timely manner consistent with market demands.

On behalf of the Committee, Ms. Keenan noted that the Governance and Compensation Committee unanimously recommended approval of the amendment by the Board.

David Stephenson, Sr. Vice President, Legal Services, presented a procedural amendment to the General Authority Resolution previously approved by the Committee and Board. He explained that the amendment would authorize expenditures and related agreements associated with the State Event Trust Fund when reimbursement from the State is anticipated.

Mr. Stephenson further explained that, should actual reimbursement be less than the amount anticipated and result in a shortfall exceeding $1 million, management would report the matter to the Finance Committee to provide visibility into the financial impact and any resulting budget implications.

Mr. Stephenson noted that reimbursement eligibility is determined based on the State's current criteria and available historical data at the time commitments are made. He stated the recommendation is to authorize expenditures of up to $1 million per event, contingent upon anticipated reimbursement from the State Event Trust Fund.

Following a duly seconded motion, the resolution was approved unanimously.

D. Consideration and possible approval of a resolution authorizing an Architectural Service Agreement with HOK in connection with the Hilton Americas-Houston Hotel Lobby Renovation.

Ryan Martin reported that the Hotel Committee reviewed this matter at its recent meeting. He noted that the Convention District Transformation Project presents a unique opportunity to reimagine this area of Downtown Houston and stated that, as owner of the Hilton Americas-Houston, the Corporation has a responsibility to ensure the property continues to serve as a premier asset.

Mr. Martin emphasized that reimagining the Hilton’s lobby and first-floor public spaces to align with and support the broader transformation initiative is essential to the property’s long-term success. He also noted that the Hotel Committee unanimously recommended Board approval of the proposed item

Mr. Heckman noted that the architectural firm will be engaged to develop conceptual plans and assess project requirements, which will subsequently inform the scope, budget considerations, affordability, and recommended course of action.

Mr. Stephenson reported that, in accordance with state law, the Corporation conducted a qualifications-based selection process for professional services, including architectural and engineering services. Following a sixty-day solicitation and evaluation process, he said, thirteen firms submitted qualifications. After five interviews and multiple rounds of clarification, he reported that HOK was determined to be the most qualified respondent. Mr. Stephenson further noted that, based on the financial considerations presented in the resolution, HOK offered the best overall combination of qualifications and value.

Mr. Mooz stated that HOK distinguished itself in several key areas during the selection process. He noted that HOK demonstrated a creative and forward-thinking design approach by exploring opportunities to activate the building in three dimensions, including enhancements at the lobby level, integration with the second floor, and strategic projections. Mr. Mooz remarked that the team appreciated HOK's willingness to challenge conventional boundaries and explore what is currently possible from a design perspective, while recognizing that operational requirements can be addressed as the project advances.

Following a duly seconded motion, the resolution was approved unanimously.

E. Consideration and possible approval of a resolution authorizing the use of the construction manager-at-risk method for the selection of a construction contractor for the Hilton Americas-Houston Hotel Lobby Renovation.

Mr. Martin reported that the Hotel Committee also reviewed this item at its recent meeting in connection with the lobby renovation project. The Committee, he explained, evaluated the available procurement methods for selecting a construction contractor and recommended utilizing the construction manager-at-risk (CMAR) delivery method, an approach the organization has successfully employed on prior project. He noted that the Hotel Committee unanimously recommended Board approval of the proposed item.

Mr. Stephenson stated that, in compliance with state law, the Board is required to select and identify the procurement method that will be used to choose the construction contractor. He noted that the Board's prior action addressed the selection of the architect. He further stated that this procurement method has been successfully utilized on previous projects, including the GRB façade renovation project.

Following a duly seconded motion, the resolution was approved unanimously.

VI. **Executive Session** Mr. Zeidman announced an executive (closed) session at 10:04 a.m. pursuant to Texas Government Code Section 551.071 and 551.072 for the purpose of consultation with an attorney and deliberating regarding certain real estate matters in connection with the Convention District.

Board Members, along with Michael Heckman, David Stephenson, and Stephen Jacobs, outside legal counsel with Troutman Pepper Locke, remained in the room for the Executive Session. The Executive Session ended at 10:17 a.m.

VII. **Adjourn** The meeting was adjourned at 10:18 a.m.