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 Hilton Americas-Houston Hotel, 1600 Lamar St, Houston, Harris County, Texas, 77010, on Thursday, June 23, 2022, 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 Committee Members were present for the meeting: Nicki Keenan (Chair), Ryan Martin (Vice-Chair), and George DeMontrond.

1. **Call to Order.**
   The Chair called the meeting to order at 10:04 a.m., and a quorum of Committee Members was established.

2. **Public Comments.** None

3. **Review and approval of minutes from prior meeting.** Following a motion duly seconded, the meeting minutes of November 5, 2021, were approved as presented.

4. **Presentations, Reports, and Updates**
   A. Hilton Americas-Houston General Manager Report
   General Manager of the Hilton Americas-Houston Hotel (Hotel), Jacques D'Rovencourt, reported cancellations in January, the only month the Hilton did not make budget. He added that February was ahead of budget, and the last few months impacted the Hotel the most. March was the highest revenue month, which included CERAWeek. Mr. D'Rovencourt stated that April was over budget and May was another good month, particularly with food and beverage.

   Vice President, Business Intelligence and Market Strategy, Cindy Decker, reported that the business transient market is 36% down to 2019. Ms. Decker stated that the
downtown market rate year-to-date is only $203 - $206, and the Hotel outperforms the market at $222.

Mr. D’Rovencourt informed the Committee that expenses in all categories are down, but the Hotel is still running very efficiently. There is an increase of $8.5 million in revenue, parking is better, and valet rates are higher. The 2022 net income forecast is $41 million, which is an increase of $10.8 million than was budgeted.

Hilton’s full-time employees include 51 managers, which is down from 72 in 2019, and 337 hourly employees, which is down from 531 in 2019.

Director of Revenue Management, Ms. Mondragon, provided the Star report for April YTD vs. Comp set. She informed the Committee 2022 Occupancy was 102.5% and RevPAR was $109.5.

Director of Sales, Jason Monroe, reported on the Group Sales Position for 2023. Mr. Monroe stated that 2023 group rooms on the books are 106,590, slightly down from 2021 for 2022, which was 110,064. The groups for 2023 are averaging 1,400 room nights.

Mr. Monroe then reported on the Group Sales Position for 2024 and stated there was a more significant booking gap. The 2024 group rooms on the books are 77,649, compared to 83,481 from 2021 to 2023, because of the hesitancy to book further out due to COVID. The current lead volume is at eight percent overall.

Ms. Decker explained that a large majority of groups are conventions, and the city-wides are being turned a little later to ensure the attendance numbers are correct. Before COVID, associations would have booked four or five years out, so the two-year window was missed for 2024 and 2025. The benefit now is that holds on the 2024 calendar for high-demand time frames can be filled with corporate business that is higher rated, driving better revenue for Houston, and hotels will be able to supply infill with short-term bookings.

Mr. Monroe continued with the Group Sales Position for 2025. He reports 2025 group rooms currently on the books are 35,542, compared to 65,920 from 2021 to 2024.

Mr. D’Rovencourt announced that the Hotel was awarded the 2021 Award of Excellence for the 10th consecutive year. Hilton Worldwide Holdings was number two on Fortune’s 100 Best Companies to Work For.

5. Committee Business.

A. Consideration and possible recommendation of a job order with Chamberlin Houston, LLC for the Hilton Americas-Houston Hotel Sixth-Floor Ballroom Roof Overlay Project.

Mr. D’Rovencourt explained that the sixth-floor ballroom roof is an original Hotel roof and is 19 years old. The roof has reached the end of its useful life and identified by the Hotel insurer (AFM) as needing to be replaced. The 55,000
square foot section of the sixth-floor roof is the largest of the four sections that need to be replaced.

Urban Development Officer, Roksan Okan-Vick, reiterates that the roof is past its 10 to 15-year life expectancy and will be replaced with a single-ply overlay with a 20-year warranty and a life expectancy of 20 to 30 years. Ms. Okan-Vick emphasized that the Hotel does not expect any interruption in business, and work can begin approximately one month after the job order is approved. Ms. Okan-Vick added that it would take one to two months to complete, depending on the weather.

Purchasing Agent, Mitch Miszkowski, described the solicitation process and informed the Committee that management recommends approving Chamberlin’s job order for $742,455 plus a 10% contingency.

Following a motion duly seconded, the recommendation of a job order with Chamberlin Houston, LLC for the Hilton Americas-Houston Hotel Sixth-Floor Ballroom Roof Overlay Project was approved, pending the provision of additional information regarding proposed pricing.

6. **Adjourn.** The meeting adjourned at 11:06 a.m.