

## HOUSTON FIRST CORPORATION

### MINUTES OF HOUSTON FIRST CORPORATION BOARD OF DIRECTORS

NOVEMBER 10, 2016 – 3:00 P.M.

The Board of Directors of Houston First Corporation (the "Corporation"), a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to TEX.TRANS.P.CODE ANN. §431.101 et seq. and TEX.LOC.GOV'T.CODE ANN §394.001 et seq., held a meeting at the Partnership Tower, 701 Avenida de las Americas, Houston, Texas, on Thursday, November 10, 2016, commencing at 3:00 P.M. Written notice of the meeting, including the date, hour, place and agenda, was posted in accordance with the Texas Open Meetings Act. The following members participated in the meeting: David Mincberg, Phyllis Bailey, Alex Brennan-Martin, Katy Caldwell, Fernando Cuellar, Irma Diaz-Gonzalez, Harry Greenblatt, Paul Puente, Bobby Singh, David Solomon, Gerald Womack, Council Member Dave Martin and Council Member David Robinson. Desrye Morgan was absent.

David Mincberg called the meeting to order at approximately 3:03 P.M. and a quorum was established. Chairman Mincberg welcomed Bobby Singh to the Houston First Corporation Board.

1. **Public Comments.**

Bill Regan with SEIU signed up to speak on behalf of the housekeepers that work for Midwest. He expressed that they want to raise the standards for all janitorial staff.

Rico Bullock, an employee with HS Direct, also spoke to the Board regarding what he considered retaliation from HS Direct. He would also like consideration for increased pay and benefits.

2. **Approval of Minutes.** A motion was made and duly seconded to approve the minutes of the September 14, 2016 meeting as presented.

3. **Presentations.** Dawn Ullrich stated that Houston First would recognize its super stars at a future event.

4. **Consideration and possible approval of the annual election of officers pursuant to the Houston First Corporation Bylaws.**

Following a motion duly seconded, the Board of Directors, in accordance with the Bylaws of the Corporation, elected and appointed the following persons as officers of the Corporation:

Dawn Ullrich, President  
Brenda Bazan, Treasurer  
Pamela Walko, Secretary

5. **Consideration and possible approval of a Supplemental Agreement to Lease Agreement with the City of Houston relating to Levitt Pavilion.** Katy Caldwell, chair of the Governance, Audit & Finance Committee, introduced this item and explained that this item was fully vetted at the Governance, Audit & Finance Committee meeting held on November 10, 2016. Rob Jackson

provided the background and focus of the Mimi & Mortimer Levitt Foundation. There are currently six Levitt music venues across the country, each offering more than 50 free concerts every year. Following discussion on this item, a motion was made and duly seconded to approve a Supplemental Agreement to Lease Agreement with the City of Houston.

6. **Consideration and possible approval of the 2017 Legislative Agenda.** Katy Caldwell, chair of the Governance, Audit & Finance Committee, introduced this item as it was fully reviewed and discussed at the Committee meeting on November 10, 2016. Rob Jackson briefed the Board on the highlights of the agenda. Following discussion on this item, a motion was made and duly seconded to approve the 2017 Legislative Agenda as presented.

Prior to beginning discussions related to Houston First Corporation's 2017 Business Plan and Budget, Dawn Ullrich and Brenda Bazan provided an overview of the 2017 Budget, including long-term investments, the anticipated impact of a reduced distribution from Hilton Americas-Houston and a lower hotel occupancy tax revenue forecast; however, they explained that the lower revenues were neither unexpected nor unanticipated. Houston First has prepared for the volatility of the industry via its Stabilization Reserve, which was established to respond to circumstances such as these. Further, they explained that consultants, sponsorships and non-essential capital would be clearly scrutinized for the 2017 budget.

7. **Consideration and possible approval of Houston First Corporation's 2017 Business Plan and Budget.** This item was reviewed and thoroughly discussed at the Governance, Audit & Finance Committee meeting on November 10, 2016. Brenda Bazan provided detail on the proposed 2017 Budget, which included explanations of certain variances between 2016 projected and 2017 budgeted revenues and expenses.

Following a thorough discussion on this item, a motion was made and duly seconded to approve Houston First Corporation's 2017 Business Plan and Budget. Katy Caldwell thanked the staff for their hard work. Board Member Singh abstained from voting on this item.

8. **Consideration and possible approval of Hilton Americas-Houston 2017 Business Plan and Budget.** This item was reviewed and thoroughly discussed at the Hotel Committee meeting on October 21, 2016. David Solomon briefed the Board on revenue projections; group/transient business; average daily rate; occupancy and RevPAR. Following discussion on this item, a motion was made and duly seconded to approve Hilton Americas-Houston 2017 Business Plan and Budget.

9. **Updates**

- A. Diversity Program – Roger Harris provided a diversity summary that included capital projects, general operations, service contracts and Hilton Americas related to the Convention District project. He also covered diversity percentages for LeMeridian Hotel and Marriott Marquis as well as ethnicity and gender.

- B. CEO Report – Dawn Ullrich called attention to upcoming dates, the move to Partnership Tower and the newly-installed weather cam.

The meeting adjourned at approximately 4:37 p.m.

      /s/      

Pamela Walko, Secretary