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. GOVT. CODE ANN. §394.001 et seq., posted a meeting at the Hilton Americas-Houston Hotel, 1600 Lamar Street, Ballroom of Americas “B”, Houston, Harris County, Texas, 77010, on Monday, September 9, 2019, commencing at 11:30 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 Hotel Committee members were present for the meeting: Nicki Keenan (Chair), George DeMontrond (Co-Chair), Katy Caldwell, Paul Puente, David Solomon, and David Mincberg.

The meeting was called to order at 11:32 a.m. and a quorum was established.

1. **Public Comments.** None.

2. **Review and approval of minutes from prior meeting.** Following a motion duly seconded, the meeting minutes of March 19, 2019 were approved as presented. Katy Caldwell and David Mincberg were not present for the vote.

3. **Presentations and Reports.**

   A. **Hilton Americas-Houston General Manager Report.** Jacques D'Rovencourt introduced himself and recognized the new members of the Hotel Committee. He began his presentation by informing the Committee that on May 31, 2019, the Hilton Corporation celebrated its 100th anniversary. Mr. D'Rovencourt then discussed operations at the Hilton Americas-Houston Hotel and stated that total revenues are down, however, ADR is slightly up with transient business. Food and beverage sales have declined due to the availability of local catering options. The new parking operations contractor, Winpark, has just begun operating the Hilton Parking Garage and has ideas on improving revenues, including use of a robust credit card management system. Hotel occupancy is down slightly due to rooms being out of order due to the renovation project.
George DeMontrond asked about the expenses identified in the budget.

B. Hilton Americas-Houston Sales and Marketing Report. Janice O’Neal-Cox discussed hotel bookings and stated that the Hotel has 133,655 room nights booked as well as 26 city-wide dates for 2020. The Hotel is currently 3,200 room nights behind its three-year pace, however, room rates are up $12 per night year-over-year. For 2021, the Hotel has 110,000 room nights booked, including 21 city-wide dates. Ms. O’Neal-Cox is hopeful 2021 will be a good year. Similarly, hotel bookings for 2022 are ahead of pace.

Nicki Keenan asked if the information provided for 2021 was based on definite or tentative bookings and commented that the Hotel does not have many bookings for third quarter.

Jacques D’Rovencourt informed the Committee that the Hotel was named 17 out of 100 by Cvent, event management software, for responses to recent RFPs. Additionally, the Hotel was named a top work place in the Houston Chronicle for the fourth year in a row. The Hotel also received an overall satisfaction score of 89.5 or 8 out of 20 for hotels listed under the Meeting Planner Survey. The Hotel also remains #1 on the Hilton Big Box ratings.

Mr. D’Rovencourt also briefly discussed the Avenida South Garage remediation project following the Memorial Day fire.

C. Asset Manager Report-CHM Warnick. Joe DeFrank of CHM Warnick provided an update on Hotel operations and historical Hotel rev-par growth compared to market share.

Nicki Kennan asked for additional clarification on what information is included in the comp set and Mr. DeFrank provided additional information.

According to Mr. DeFrank, the Hotel is performing well based on the five-year forecast on group production, but the funnel needs additional activity as the Hotel may face headwinds. David Minicberg asked for further detail and Mr. DeFrank clarified his statement. He also addressed the new room supply for downtown hotels in 2020, per Nicki Keenan’s inquiry.

Mr. DeFrank stated that the Hotel is tracking very well in booking production and transient pace is up 800,000. Peter McStravick asked about any crossover goals for the Hotel and Mr. DeFrank explained that CHM Warnick tracks group progression in large convention hotels by also looking at the management of the hotel space. CHM Warnick also tracks hotel service scores and the Hotel has solid numbers as it continues to follow best practices and advances this year’s strategic initiatives. In conclusion, Mr. DeFrank reported that the Hotel is performing well and continues to grow, but at a slightly slower pace.
D. **2020 Budget Overview.** Frank Wilson gave the 2020 Budget Overview. He briefly discussed the Hilton Guestroom Renovation Project.

Jacques D’Rovencourt recognized the Hilton area Vice President and Regional Vice President.

Mr. Wilson then proceeded with his presentation and discussed current operations and projected growth in room revenues. He also discussed the Hotel’s capital plan and renovation of the third-floor meeting rooms to be followed by the fourth-floor. The roof of the fourth-floor ballroom will also be replaced along with renovation of several suites, updates to the Starbucks located in the hotel lobby, mechanical equipment, life safety equipment, and operational equipment. Katy Caldwell asked the total amount of the hotel’s capital budget and Mr. Wilson stated it is $5.8 Million.

4. **Committee Business.**

A. **Consideration and recommendation of the 2020 Hilton Americas-Houston Budget.**

Following a motion duly seconded, the 2020 Hilton Americas-Houston Budget was approved unanimously.

Mr. D’Rovencourt briefly discussed the Hotel’s involvement with community engagement and stated that the Hilton has received the Houston Spirit Award. He played a short video that highlighted Hilton staff serving dinner to volunteers with Team Rubicon as they built homes for those impacted by Hurricane Harvey.

5. **Adjournment.** The meeting was adjourned at 12:19 p.m.