

**HOUSTON FIRST CORPORATION
MINUTES OF HOTEL COMMITTEE
November 4, 2014**

The Hotel Committee 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. TRANSP. CODE ANN. §431.101 et seq. and TEX. LOC. GOV'T. CODE ANN. §394.001 et seq., held a meeting in the 3rd Floor Executive Board Room, 1001 Avenida de las Americas, Houston, Harris County, Texas 77010, on Tuesday, November 4, 2014, commencing at 3:30 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 members participated in the meeting: David Solomon and Irma Diaz-Gonzalez. Dawn Ullrich was absent.

Chairperson Solomon called the meeting to order at approximately 3:32 P.M. and a quorum was established.

1. Approval of Minutes. After a motion duly seconded, the minutes of July 23, 2014 were approved.
2. Consideration of, and possible recommendation on, the approval of a Master Licensing Agreement between Houston First Holdings, LLC and Starbucks Corporation for the operation of a specialty retail store at Hilton Americas-Houston. Authorizing the President to finalize negotiations on the Master Licensing Agreement and to include such provisions, terms and conditions as maybe commercially reasonable for the project. Peter McStravick provided an update of the Licensing Agreement with Starbucks for a proposed store on the northeast corner of Hilton Americas-Houston. Further, he handed out the proposed budget and presented schematics of the proposed finishes. It is anticipated that this store will activate the sidewalk and bring more business into the hotel. Following brief discussion, the Committee agreed to recommend this item for Houston First Corporation's Board for review and consideration.
3. Consideration of, and possible recommendation on, approval of Hilton Americas-Houston Operating and Capital Budgets for 2015. Joe Palmieri provided the details for the 2015 budget highlights and goals, budget assumptions, market conditions, risks, and capital improvements. An additional budget update will be provided to the Committee after January 2015 to true up the 2015 Operating budget, based on 2014 actuals. Following discussion on this item, the Committee agreed to recommend this item for Houston First Corporation's Board for review and consideration.
4. Sales Reports. Janice O'Neill-Cox updated the Committee on the Hotel's booking position.
5. Asset Manager Report. Jeff Sachs reported that the hotel is doing well and that the 2015 budget was based on a collaborative process and is a good barometer of where the Hotel is headed in 2015.
6. COO Report. Peter McStravick proposed to either revise or eliminate the Convention Services Agreement Policy. If modifications are preferred, Peter suggested evaluations of individual projects going forward. Chairman Solomon would rather modify the policy and review the projects based on a projected cash on cost return rather than eliminating the policy all together.

It was determined that Peter would provide any outstanding or known upcoming Convention Services Agreement requests at the next Committee meeting. Additionally, Peter provided a report on the Hilton Owner's meeting he attended in Orlando. The last item on his report was the UPS move to the ground floor location (former Landau space). This move will provide for additional office space on the 3rd floor for temporary CVB employee relocation. Following the permanent move of all employees to the new office tower, this space is programmed to be converted to meeting space.

The meeting adjourned at approximately 4:46 P.M.

A handwritten signature in cursive script that reads "Pamela Walko". The signature is written in black ink and is positioned above a solid horizontal line.

Pamela Walko, Secretary