

AGENDA

HOUSTON FIRST CORPORATION

FINANCE AND ASSET MANAGEMENT COMMITTEE MEETING
September 24, 2024, beginning at 9:00 A.M.
Partnership Tower, 701 Avenida de las Americas, Suite 200
Houston, Texas 77010
HOUSTON FIRST BOARD ROOM

In accordance with the Texas Open Meetings Act, this Agenda is posted for public information, at all times, for at least 72 hours preceding the scheduled time of the meeting on the bulletin board located on the exterior wall of the Houston City Hall building, located at 901 Bagby St. The Agenda is also available online at <https://www.houstonfirst.com>.

To reserve time to appear, come to the meeting at least ten minutes prior to the scheduled public session shown on the Agenda.

Any questions regarding this Agenda, or requests for special needs assistance, should be directed to Paula Whitten-Doolin, General Counsel, at 713.853.8965 or by email meetingagendas@houstonfirst.com.

Code of Business Conduct and Ethics: As a reminder, under Houston First Corporation Code of Business Conduct and Ethics Policy, if you have a potential conflict of interest that you have not previously disclosed relating to a transaction or arrangement being discussed or voted on, then you should notify the Chair, refrain from voting on the business item, and recuse yourself from the discussion on the matter.

- I. Call to Order**
- II. Public Comments**
- III. Minutes – June 25, 2024**
- IV. Presentations, Reports, and Updates**
 - A. Financial Report

V. Executive Session:

Executive (closed) session pursuant to Texas Government Code Section 551.072 for the purpose of deliberation regarding certain real estate matters related to the George R. Brown Convention and Convention District Transformation Projects.

VI. Committee Business:

- A. Consideration and possible recommendation of a resolution authorizing the purchase or acquisition of Block 309 and Block 310 in the Central Business District in connection with the George R. Brown Convention and Convention District Transformation Projects.
- B. Consideration and possible recommendation of a resolution approving an Architectural Services Agreement with Populous, Inc. in connection with the George R. Brown Convention and Convention District Transformation Projects.
- C. Consideration and possible recommendation of a resolution approving a Promissory Note with the City of Houston in connection with the 2022 settlement with the Houston Municipal Employees Pension System.
- D. Consideration and possible recommendation of a resolution approving certain spending authority in connection with the Professional Convention Management Association (“PCMA”), 2025 PCMA Convening Leaders event in Houston, inclusive of a talent appearance contract.

VII. Adjourn

III. Minutes: June 25, 2024

MINUTES

HOUSTON FIRST CORPORATION

FINANCE AND ASSET MANAGEMENT COMMITTEE MEETING
June 25, 2024, beginning at 8:00 A.M.
Partnership Tower, 701 Avenida de las Americas, Suite 200
Houston, Texas 77010
HOUSTON FIRST BOARD ROOM

The Finance and Asset Management Committee (“Committee”) of Houston First Corporation (the “Corporation”), 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., held a meeting at Partnership Tower, 701 Avenida de las Americas, Suite 200, Houston, Harris County, Texas 77010 on Tuesday June 25, 2024, 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 8:04 a.m. A quorum was established with the following Committee Members present: Elizabeth Gonzalez Brock, Sofia Adrogué, and Roxann Neumann. Shareen Larmond was not present.
- II. **Public Comments.** There were no public comments.
- III. **Presentations, Reports, and Updates**

B. Financial Report

[This item was taken out of order and followed item IV. C.]

Frank Wilson, Chief Financial Officer presented the Financial Report. He reported that the variance in the 2024 budget and actuals for total revenues minus total expenses year-to-date.

Karen Tang, CPA, Controller, reported briefly on the Annual Report. She stated that the annual audited report is accrual-based while the monthly operating reports reflecting budget vs actual is cash-based. She emphasized that both total assets and total liabilities decreased.

IV. Committee Business

- A. Consideration and possible recommendation of a resolution accepting the annual Financial Audit Report for the Corporation for the fiscal year ending December 31, 2023.

Tino Robledo with RSM US LLP (“RSM”) presented the results of the 2023 Financial Audit. He reported that the 2023 audit was complete and that basic financial statements will be issued. He added that RSM expects to issue an unmodified opinion on the consolidated financial statements.

Mr. Robledo introduced Stephen Yoe, with Yoe CPA, LLC – RSM’s diversity partner. Mr. Yoe stated that he worked side-by-side with RSM throughout the audit and expressed his gratitude for the opportunity.

Following a motion, duly-seconded, the Committee approved the item unanimously.

- B. Consideration and possible recommendation of a resolution authorizing participation in the Local Government Investment Cooperative (LOGIC) and appointing Frank Wilson and Karen Williams as authorized representatives in connection with LOGIC and the Texas Short-Term Asset Reserve Fund (TexSTAR).

Mr. Wilson provided a description and benefits of both the Local Government Investment Cooperative (LOGIC) and the Texas Short-Term Asset Reserve Fund (TexSTAR). He added that he is currently the only signer, and it would be beneficial for an additional signer who can access the accounts.

Following a motion, duly-seconded, the Committee approved the item unanimously.

- C. Consideration and possible recommendation of a resolution approving a Security Services Agreement with TriCorps Security, Inc.

[This item was taken out of order and presented before III.]

John Gonzalez, Sr. Vice President and General Manager, reviewed the solicitation process for the Security Services Agreement. He stated that, once the interviews were completed and scored, TriCorps Security, Inc. was selected as the provider.

Following a motion, duly-seconded, the Committee approved the item unanimously.

D. Consideration and possible recommendation of a resolution approving a Development Management Agreement with Hines Interests Limited Partnership.

Paula Whitten-Doolin, General Counsel, reviewed the solicitation process for the Development Management Agreement. She stated that a Request for Qualifications (“RFQ”) was issued, followed by a pre-submittal meeting to discuss the RFQ with potential respondents. She explained that five developers participated in in-person interviews and that Hines Interests Limited Partnership was selected unanimously.

Following a motion, duly-seconded, the Committee approved the item unanimously.

E. Consideration and possible recommendation of a resolution authorizing the construction manager-at-risk method for construction-contractor selection for the George R. Brown Convention Center and Convention District Transformation Projects.

Stephen Jacobs, outside legal counsel with Locke Lord LLP, informed the Committee Members that under Texas Government Code, the Corporation is permitted to select from several means of public procurement for construction services. He stated that management selected and recommended the Construction Manager-at-Risk procurement method based on the scope, complexity and long-term vision to accomplish the projects.

Following a motion, duly-seconded, the Committee approved the item unanimously.

V. Adjourn

The meeting was adjourned at 9:20 a.m.

VI (A). Consideration and possible recommendation of a resolution authorizing the purchase or acquisition of Block 309 and Block 310 in the Central Business District in connection with the George R. Brown Convention and Convention District Transformation Projects.

Authorizing the purchase or acquisition of Block 309 and Block 310 in the Central Business District in connection with the George R. Brown Convention and Convention District Transformation Projects.

WHEREAS, Houston First Corporation (the “Corporation”) seeks to purchase or acquire certain real property in the Central Business District, consisting of Block 309 and 310, in connection with the George R. Brown Convention Center and Convention District Transformation Projects;

WHEREAS, Block 309, H.S. Holman, Abstract 323, Harris County, Texas (bounded by Clay Avenue, Hamilton Street, Bell Avenue and Chenevert Street) and Block 310, H.S. Holman, Abstract 323, Harris County, Texas (bounded by Clay Avenue, Chenevert Street, Bell Avenue and Jackson Street) span two downtown city blocks between the George R. Brown Convention Center and the Toyota Center

WHEREAS, the Board of Directors of the Corporation finds the purchase or acquisition of Blocks 309 and 310 to be in the best interests of the Corporation and authorizes the expenditure of funds for such purchase or acquisition, subject to a not-to-exceed limit of \$30,000,000.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORPORATION THAT:

SECTION 1. Approving and authorizing the purchase or acquisition of Block 309 and Block 310 in the Central Business District in connection with the George R. Brown Convention and Convention District Transformation Projects. The Board of Directors of the Corporation hereby approves and authorizes the purchase or acquisition of Block 309 and Block 310 in the form of one or more agreements and/or written instruments based on the foregoing terms, and such other terms and conditions that are recommended or negotiated by the General Counsel of the Corporation and deemed by the President & CEO of the Corporation to be in the best interests of the Corporation, including, by way of example and not limitation, one or more purchase and sale agreements, deeds, conveyances, or commitments to the owner or owners of such properties in fee simple, their heirs, assigns or representatives, including Golconda Venture, Golconda Investments, Inc., Mary A. Feldblum Revocable Trust, Jim Finkelstein, Jack Finkelstein, Jr., Selma Finkelstein Kilberg Trusts, and Barbara Hurst, Bernard L. Danna Jr., the Bernard L. Danna Family Testamentary Trust, Rosemary Bonno Filippone, the Rosemary Bonna Filippone Trust, the Lucille Bonna Dana Trust, Jude B Filippone, Kevin J. Filippone, Joseph K. Filippone, Anna M. Danna, the Carmelo J. Danna Testamentary Family Trust, Gary Danna, and Mark Danna.

SECTION 2. Severability. If any section, paragraph, clause, or provision of these Resolutions shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of

such section, paragraph, clause, or provision shall not affect any of the remaining provisions of these Resolutions.

SECTION 3. Open Meeting. It is hereby found, determined, and declared that sufficient written notice of the date, hour, place, and subject of the meeting of the Board of Directors of the Corporation at which these Resolutions were adopted was posted at a place convenient and readily accessible at all times to the general public at the City of Houston City Hall for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which these resolutions and the subject matter thereof have been discussed, considered, and formally acted upon. The Board of Directors of the Corporation further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 4. Ratification and Confirmation. All acts, transactions or agreements undertaken prior to the adoption of these Resolutions by any the officers of the Corporation in connection with the matters authorized by these Resolutions and actions incidental thereto are hereby ratified, confirmed and adopted by the Corporation.

VI (B). Consideration and possible recommendation of a resolution approving an Architectural Services Agreement with Populous, Inc. in connection with the George R. Brown Convention and Convention District Transformation Projects.

Approving an Architectural Services Agreement with Populous, Inc. in connection with the George R. Brown Convention and Convention District Transformation Projects.

WHEREAS, Houston First Corporation (the “Corporation”) issued that certain Request for Qualifications for Architectural Services on August 6, 2024 (the “RFQ”), wherein the Corporation requested statements of qualification from experienced and highly-qualified architectural firms to provide professional architectural services on behalf of the Corporation in connection with the George R. Brown Convention and Convention District Transformation Projects;

WHEREAS, a total of ten statements of qualification were timely received by the Corporation on August 16, 2024, and all such responses were reviewed subsequently by an evaluation committee consistent with the manner provided in the RFQ;

WHEREAS, the evaluation committee chose to schedule in-person interviews with four respondents, and determined collectively upon completion of such interviews the highest-qualified respondent to be Populous, Inc.; and

WHEREAS, the Board of Directors of the Corporation desires to approve and grant authority to the President & CEO of the Corporation to execute a contract for architectural services, subject to a not-to-exceed limit of \$65,000,000;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORPORATION THAT:

SECTION 1. Approving an Architectural Services Agreement with Populous, Inc. The Board of Directors of the Corporation hereby approves an Architectural Services Agreement with Populous, Inc. based on the foregoing terms, the agreement terms set forth in the RFQ, and such other conditions or modifications that are recommended by the General Counsel of the Corporation and deemed by the President & CEO of the Corporation to be in the best interests of the Corporation.

SECTION 2. Authority. The Board of Directors of the Corporation authorizes and empowers the President & CEO of the Corporation to negotiate, finalize and execute such agreement for and on behalf of the Corporation without the necessity for joinder of any other person.

SECTION 3. Severability. If any section, paragraph, clause, or provision of these Resolutions shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of these Resolutions.

SECTION 4. Open Meeting. It is hereby found, determined, and declared that sufficient written notice of the date, hour, place, and subject of the meeting of the Board of Directors of the Corporation at which these Resolutions were adopted was posted at a place convenient and readily accessible at all times to the general public at the City of Houston City Hall for the time

required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which these resolutions and the subject matter thereof have been discussed, considered, and formally acted upon. The Board of Directors of the Corporation further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 5. Ratification and Confirmation. All acts, transactions or agreements undertaken prior to the adoption of these Resolutions by any the officers of the Corporation in connection with the matters authorized by these Resolutions and actions incidental thereto, including, by way of example and not limitation, that certain Limited Services Agreement regarding the George R. Brown Convention Center Project dated effective September 6, 2024, are hereby ratified, confirmed and adopted by the Corporation.

VI (C). Consideration and possible recommendation of a resolution approving a Promissory Note with the City of Houston in connection with the 2022 settlement with the Houston Municipal Employees Pension System.

Approving a Promissory Note with the City of Houston in connection with the 2022 settlement with the Houston Municipal Employees Pension System.

WHEREAS, the City of Houston, Texas (the “City”) and Houston Municipal Employees Pension System (“HMEPS”) entered into a Full and Final Settlement Agreement and Release made effective March 22, 2022 (“Settlement Agreement”) to resolve a dispute that included a lawsuit HMEPS filed to assert certain claims against the City and its officials relating to the provision of pension payments and information for personnel of Houston First Corporation (the “Corporation”).

WHEREAS, under the terms of the Settlement Agreement, the City treated Corporation personnel as “employees” of the City and thereby “members” of the HMEPS Plan for purposes of Article 6243h of the Texas Revised Civil Statutes, and paid HMEPS \$16,000,000 on behalf of Corporation by wire transfer to the account to which the City customarily wires the City Contribution Rate to HMEPS, as required by Section 8A of Article 6243h.

WHEREAS, the Corporation agrees to cause the transfer of the principal amount of \$16,000,000 to the City as reimbursement of the City’s prior payment to HMEPS in the form of a Promissory Note between the Corporation, as maker/payor, and the City, as payee, with an expected maturity date of December 31, 2034;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORPORATION THAT:

SECTION 1. Approving a Promissory Note with the City of Houston, Texas. The Board of Directors of the Corporation hereby approves a promissory note with the City of Houston, Texas. based on the foregoing terms, and such other terms and conditions that are recommended by the General Counsel and Chief Financial Officer of the Corporation, and deemed by the President & CEO of the Corporation to be in the best interests of the Corporation.

SECTION 2. Authority. The Board of Directors of the Corporation authorizes and empowers the President & CEO of the Corporation to negotiate, finalize and execute such promissory note for and on behalf of the Corporation without the necessity for joinder of any other person.

SECTION 3. Severability. If any section, paragraph, clause, or provision of these Resolutions shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of these Resolutions.

SECTION 4. Open Meeting. It is hereby found, determined, and declared that sufficient written notice of the date, hour, place, and subject of the meeting of the Board of Directors of the Corporation at which these Resolutions were adopted was posted at a place convenient and

readily accessible at all times to the general public at the City of Houston City Hall for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which these resolutions and the subject matter thereof have been discussed, considered, and formally acted upon. The Board of Directors of the Corporation further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 5. Ratification and Confirmation. All acts, transactions or agreements undertaken prior to the adoption of these Resolutions by any the officers of the Corporation in connection with the matters authorized by these Resolutions and actions incidental thereto are hereby ratified, confirmed and adopted by the Corporation.

VI (D). Consideration and possible recommendation of a resolution approving certain spending authority in connection with the Professional Convention Management Association (“PCMA”) 2025 PCMA Convening Leaders event in Houston, inclusive of a talent appearance contract.

Approving certain spending authority in connection with the Professional Convention Management Association (“PCMA”) 2025 PCMA Convening Leaders event in Houston, inclusive of a talent appearance contract.

WHEREAS, the Professional Convention Management Association ("PCMA"), recognized as the world's largest network of business event strategists, including meeting professionals, CEOs, and suppliers for the meetings and convention industry, with more than 7,000 members worldwide, will hold its 2025 Convening Leaders event in downtown Houston from January 12-15, 2025;

WHEREAS, Houston First Corporation (the “Corporation”), recognizes the invaluable opportunity to showcase Houston as a premier destination to the premier association of meeting-industry professionals;

WHEREAS, the Corporation has established a budget of \$5,000,000 for the 2025 PCMA Convening Leaders Event, inclusive of an event-specific marketing fund with participating Downtown Houston hotels through a nightly voluntary fee charged to hotel customers, and including a anticipated talent-appearance contract;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORPORATION THAT:

SECTION 1. Approving certain spending authority in connection with the Professional Convention Management Association (“PCMA”) 2025 PCMA Convening Leaders event in Houston, inclusive of a talent appearance contract. The Board of Directors of the Corporation hereby approves spending authority for the President & CEO of the Corporation, and directs the CFO to amend the CY24 budget for the Corporation as necessary to ensure the expenditure of the marketing fund, estimated to be approximately \$3,000,000, all in connection with the 2025 Convening Leaders event based on the foregoing terms, and such other conditions or modifications that are recommended by the General Counsel of the Corporation and deemed by the President & CEO of the Corporation to be in the best interests of the Corporation.

SECTION 2. Authority. The Board of Directors of the Corporation authorizes and empowers the President & CEO of the Corporation to negotiate, finalize and execute such agreements for and on behalf of the Corporation without the necessity for joinder of any other person.

SECTION 3. Severability. If any section, paragraph, clause, or provision of these Resolutions shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of these Resolutions.

SECTION 4. Open Meeting. It is hereby found, determined, and declared that sufficient written

notice of the date, hour, place, and subject of the meeting of the Board of Directors of the Corporation at which these Resolutions were adopted was posted at a place convenient and readily accessible at all times to the general public at the City of Houston City Hall for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which these resolutions and the subject matter thereof have been discussed, considered, and formally acted upon. The Board of Directors of the Corporation further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 5. Ratification and Confirmation. All acts, transactions or agreements undertaken prior to the adoption of these Resolutions by any the officers of the Corporation in connection with the matters authorized by these Resolutions and actions incidental thereto are hereby ratified, confirmed and adopted by the Corporation.