

3. Chairman's Report.

a. Introduction of Mr. Brendan Logue, Savoy Sports, to address the Board regarding Major League Lacrosse. Ms. Burke noted that for the first time, Major League Lacrosse was bringing its 2015 All Star Game to Texas and to Houston in June. She said that lacrosse is typically a northeastern sport, but Major League Lacrosse is bringing its All Star Game to BBVA Compass Stadium on June 13, 2015. Ms. Burke said that the Authority is working with them to realize an attendance goal of 8,000 in attendance, and noted that this event has had the best pre-sale ever experienced. She then introduced Mr. Brendan Logue to address the Board.

Mr. Logue said that most of the professional lacrosse players in the world today have other careers and are not fulltime professional lacrosse players. He noted that the sport is extremely family- and kid-friendly. Mr. Logue said that after the game, all of the players come to the field and stay on the field until every last child has an autograph. He said that a Youth Tournament will be held prior to the All Star Game, including elementary through high school levels, which will make up approximately 60 teams, and the professional players will participate, as well. Mr. Logue reported that forty of the best players will be brought to Houston for the Youth Tournament and the Game.

Mr. Logue noted that the geographic concentration of professional lacrosse teams seemed to be moving from the northeast south, with Atlanta being the next city to gain a professional team, and hopefully, Houston will be next by putting on the best All Star Game Major League Lacrosse has seen. He noted that the factors to determining a franchise city were sponsorships and ticket sales. Mr. Logue said that sponsorship goals had been reached with this All Star Game, and that the goal for ticket sales for Houston was 8,000 tickets. He said that historically, an All Star Game sells between 5,000 and 6,000 tickets. Mr. Logue said that the All Star Game will be broadcast nationally on CBS Sports, ESPN-U and ESPN-2. In response to a question from Chairman Friedman, he said there were 50 clubs in Houston, and they are experiencing a 30-percent growth per year. Ms. Burke stated that the Authority had formed a Local Organizing Committee for this event, and had enlisted the help of the local lacrosse clubs to assist with ticket sales.

b. Discussion on Personal Financial Statements due to Texas Ethics Commission by April 30. Chairman Friedman reminded the Directors that Personal Financial Statements are due April 30, but that a 60-day extension may be granted if applied for before April 30. He encouraged those who had questions on this matter to reach out to Mr. Locke. Chairman Friedman then asked Director Fields for an update on the Authority's financials.

4. **Financial Update.**

a. Discussion and review of unaudited 2014 year-end financials, and other matters related thereto. Director Fields reported that 2014 Motor Vehicle Tax revenues exceeded budget by 14.63 percent, and exceeded the prior year actual collections by 7.82 percent. He also stated that 2014 Hotel Occupancy Tax revenues exceeded budget by 9.05 percent, and exceeded the prior year actual collections by 11.39 percent. Director Fields further noted that all expenditure categories were within budget as of December 31, 2014.

b. Discussion and review of the 2015 year-to-date financials, and other matters related thereto. Director Fields noted that for the first quarter of 2015, the Motor Vehicle Rental and Hotel Occupancy Tax collections increased over the prior year's collections for the same period, but at a lower rate than was anticipated when the 2015 budget was prepared. He said that Motor Vehicle Tax revenues for the first quarter 2015 are under budget by 5.5 percent, but exceeded prior year's actual collections by 6.14 percent. Director Fields reported that Hotel Occupancy Tax collections were under budget by 9.10 percent, but exceeded the prior year actual revenues by 9.46 percent. He further reported that all expenditure categories were within budget as of March 31, 2015.

Chairman Friedman noted that first quarter revenues were over the prior year's collections, but under budget, and asked what was assumed when budgeting last year. Mr. Waggoner noted that the 2015 budget was based on what was presented to the rating agencies last year, which was approximately a 12 percent increase over 2014. Ms. Burke stated that the Authority usually follows Houston First and their economists' projections, but unfortunately, it appears that the downturn in oil and gas has affected those projected numbers, and that while the numbers this year are good, they are not as good as the banner year experienced in 2014. In response to a question from Director Rogers, Mr. Waggoner said that when the Rodeo and Offshore Technology Conference numbers came in, they should give a good indication of where the Authority's revenues would be this year.

c. Presentation and discussion of Quarterly Investment Report and Quarterly Portfolio Compliance Report for quarter ending December 31, 2014. Director Fields reported that the total investment portfolio for the Authority was \$71,289,493.26; the portfolio's weighted average bond equivalent yield for this same quarter exceeded the average benchmark by 32 basis points, while the Authority's benchmark -- the 3-month Treasury constant maturity -- was .02 percent. Chairman Friedman reminded everyone that Harris County Financial Services manages the Authority's investment portfolio, and there are obvious constraints on where that money can be invested. Director

Fields stated that a lengthy discussion ensued in the Finance Committee meeting prior to this Board meeting about some of the yields, and the staff was directed to review investment options and report back to the Committee at its next meeting prior to the June Board meeting.

d. Discussion and possible action on resolution approving the Authority's Investment Policy, and other matters related thereto. Director Fields stated that in compliance with the Texas Government Code 2256.005(e), the Authority must adopt an investment policy annually. He said that the Authority contracts with Harris County Financial Services to oversee the investments for the Authority. Director Fields noted that the Authority's Controller presents a report of investment activity and earnings each quarter to the Finance Committee. Noting that the 2015 Policy is the same as was adopted in 2014, he made the motion that the Board adopt the resolution and Investment Policy located behind Tab C of the Board Agenda book. The motion was seconded by Director Gardner, and passed unanimously.

5. Discussion and possible action on resolution approving Astros' requests for improvements to Minute Maid Park, and other matters related thereto. Chairman Friedman noted that the Building Committee had previously met with the Astros' organization to review proposed improvements at the Stadium, and asked Mr. Braithwaite to give a brief overview of those improvements.

Mr. Braithwaite said that the Astros have a three- to five-year plan to refresh different areas in the ballpark, and last year began looking at foul pole to foul pole, particularly in the center field area, on how to accomplish these goals. He said that the overall goals and objectives are to improve the fan experience, expand revenue opportunities and improve the safety of the playing field.

With the aid of conceptual drawings, Mr. Braithwaite explained the Astros' vision to improve ballpark concourse circulation by removing and relocating the egress stair to connect the Upper Concourse and Mezzanine Levels to the Main Concourse Level. He also spoke about the need to improve vertical circulation by installing an escalator which would provide direct access to the Mezzanine Level, and installing a stair tower to link the Mezzanine and Main Concourse Levels into a cohesive element – both of which would allow fans the convenience of navigating the ballpark, changing vantage points, and improving social gathering and the overall experience.

Mr. Braithwaite then presented conceptual drawings that would develop a self-sufficient Hall of Fame that commemorates the achievements of the Astros' organization. Once completed, this concept would bridge the gap between generations of baseball fans, include a retail component,

restrooms, as well as ample storage and archive space. He also noted that the space could be used for private and corporate events.

Mr. Braithwaite noted that another goal of the overall plan is to increase visibility from the Main Concourse by removing three (3) structural outriggers connected to the lateral movement frame and three (3) sections of seating from the Mezzanine Level in order to provide tiered seating arrangements. He presented a proposed reconfiguration of the layout of the Champions Pavilion, expansion of the Mezzanine Level deck and providing tiered seating elements which would allow for additional concessions with creative and contemporary food options on the Mezzanine Level.

Mr. Braithwaite addressed the possibility of replacing the center field camera which would improve Minute Maid Park's current rank of 26 out of 30 ballparks for best television view of broadcast games. This would mean bringing center field in to 409 feet from its current 436 feet, and put the Park in number 5 in the rankings of best ballparks for television broadcasts. This move would also improve center field stage placement for concerts, but would also necessitate removing Tal's Hill. There is also the possibility of replicating it outside in the tree farm right outside of the Hall of Fame for fans to experience.

Mr. Braithwaite closed by saying that all of the proposed improvements will not affect the number of seats available, but would increase standing-room-only capacity with the addition of more open space to view the games. He stated that before moving forward with securing the funding required for these changes, the Astros' organization wanted to bring these proposed changes before the Authority's Board, and to seek its approval. Mr. Braithwaite also said that approval would have to be given by Major League Baseball. He noted that it is anticipated that all of the changes could be done in one single off-season, and the ambitious goal would be to start when this season ends.

Chairman Friedman noted Director Sprague's request to table the vote on this resolution until after Executive Session.

6. Chief Executive Officer's Report.

a. Update on activities and sporting events.

- Ms. Burke gave a report on the Authority's PR and Community Relations efforts in the community relating to the following:
 - Attendance at the Greater Houston Partnership's State of the County Address.
 - Facilitated dedication of a bench inlaid with memorial tiles from the Transplant Games at Methodist Hospital.

- Attended a Rodeo performance which was hosted by Morgan Stanley in recognition and celebration of the hard work done on the refinancing of the Authority's bonds.
- Attended a Rotary Welcome Reception with the Mayor to help support the Convention & Visitors Bureau's bid for a worldwide Rotary convention to be held in Houston. The Authority was asked to attend because of its involvement with the Rotary Lombardi Awards.
- Speaking engagements on behalf of the Authority to the Rotary Club of Houston and to Judge Ravi K. & Kelly Sandill's Breakfast Meeting.
- Preservation Houston presented the Future Landmark Award for BBVA Compass Stadium to the Authority, which recognized new and architecturally aesthetic construction's impact on Houston, and that will be worthy of preservation efforts in the coming years.
- Sam Houston State University recognized the Authority by presenting its 2015 Industry Impact Award.
- Major League Lacrosse press conference and kickoff reception.
- Front-page story in the Houston Chronicle which highlighted upcoming sporting events.
- The Authority's Marketing & PR Manager, Sarah Blanton, and also the reigning Ms. Texas USA, sang the National Anthem at the NCAA Regionals held at NRG Stadium.
- Participated in several radio interviews to discuss the Houston sports scene, International Weightlifting Championships, Super Bowl, and SWAC.
- Ms. Burke gave an overview of activity on booked events, including:
 - SWAC 2015 Basketball Championships at Toyota Center – total number of tickets sold was 33,294; 1,000 students attended the College Expo.
 - NCAA Men's Regionals at NRG Stadium – over 21,000 people attended.
 - Major League Lacrosse All Star Weekend – June 12-14, 2015.
 - Olympic & Paralympic Day – June 23, 2015.
 - Mexico/Honduras Soccer Match – July 1, 2015.
 - Gateway to Gold – September 20, 2015.
 - World Weightlifting Championships – November 2015
 - USATF Annual Meeting – December 2 – 6, 2015
 - SWAC Football Championship – December 5, 2015

- Rotary Lombardi Awards – December 9, 2015
- An overview of activity on booked sporting events in Houston, next year and beyond, include:
 - Chevron Houston Marathon – January 17, 2016
 - SWAC Basketball – March 8 – 12, 2016
 - NCAA Final Four – April 2 – 4, 2016
 - NCAA DIII Women’s Golf Championships – May 10 – 13, 2016
 - Road to Rio Event – July 23, 2016
 - AAU Junior Olympics – July 27 – August 6, 2016
 - U. S. Olympic Processing Center – August 2016
 - NCAA DI Men’s Soccer College Cup – December 9 – 11, 2016
 - Super Bowl – February 5, 2017
 - NCAA DIII Women’s Golf Championships – May 9 – 12, 2017
 - NCAA DII Women’s Golf Championships – May 16 – 18, 2018
- Outstanding and/or upcoming bids include:
 - Major League Baseball Winter Meetings
 - 2016 COPA America Soccer
 - 2016 Grand Prix of Houston
 - 2016 U. S. Paralympic Trials
 - 2016 U. S. Australian Football League
 - 2016 – 2018 USA Fencing National Championships
 - 2017 Bowling Championships
 - 2017 & 2018 Wheelchair Rugby World Championship
 - 2018 Bassmaster Classic
 - 2018-2019-2020 College Football Playoff National Championships
 - 2019 World Transplant Games
- Report on miscellaneous staff activity included:
 - Worked with various universities, former professional NFL players, Olympians and disabled sports groups
 - Personnel updates
 - Event Trust Funds and copies of support letters for the continuation thereof

- New office space
- Building Committee
- Finance Committee
- SWAC headquarters' relocation
- New BMX Park
- Ellington Field re Grand Prix

7. **Chairman Friedman announced that, pursuant to provisions of Chapter 551, Texas Government Code, the Board shall deliberate in Executive Session on the following: Consultation with attorneys on legal matters; deliberation on real estate matters; and deliberation on personnel matters, including considerations related to the Chief Executive Officer.**


At approximately 10:59 a.m., the Board of Directors recessed into a closed meeting to deliberate on the agenda items. Following Executive Session, the Board reconvened in open session at approximately 11:30 a.m.

8. Director Sprague addressed the Board as Chairman of the Building Committee, and moved to approve the conceptual design presented to the Board of the proposed improvements to Minute Maid Park, subject to further approval by the Board of the final plans when they are presented to the Board for approval. Motion was seconded by Director Fields, and passed unanimously.


9. **Comments by Directors.** Director Fraga shared with the Board that his father was named Distinguished Alumni of Texas A & M University for 2015.

10. **Adjournment.** There being no further business to come before the Board, and after motion made by Director Catuzzi and seconded by Director Sprague, the meeting was adjourned at approximately 11:35 a.m.

Adopted and approved this 4th day of June, 2015.



Jess Fields, Secretary-Treasurer



J. Kent Friedman, Chairman of the Board