



Houstonfirst.

STRATEGIC SUMMARY & BUDGET 2024



*Houston ranks
No. 9 on the 2023
list of America's
Best Cities,
up two places
from 2022.*

**RESONANCE
CONSULTANCY**

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Our city has embraced change, investment, and innovation in ways that have transformed us into a world-class destination.

FROM THE CHAIRMAN OF THE BOARD

It's difficult and sometimes risky to make big decisions in times of turmoil. For Houston First, our most intense period of turmoil came during the pandemic which saw the travel, convention and leisure industry decimated. However, rather than hunker down and hope for the best, the HFC team continued to work diligently and, most importantly, planned.

Now we are post-recovery and once again in growth mode with record results as you'll learn about in this report. That is due in large part to what I call the "green shoots," or long-term planning the HFC team conducted during the pandemic, carefully managing the day-to-day while preparing for the inevitable recovery.

HFC took the opportunity starting in 2020 to initiate major maintenance and facility improvements at the Hilton Americas-Houston when the hotel was not heavily occupied or being used for major events. In collaboration with the Foundation for Jones Hall, we launched a multiyear renovation to that iconic theater, restoring its grandeur while making the space more accommodating for modern audiences. And it was back in spring 2021 that we commenced construction on the recently-completed Lynn Wyatt Square for the Performing Arts—now a crown jewel welcoming patrons in the Houston Theater District.

All of these infrastructure projects and the many more albeit less visible efforts our team advanced during the uncertainty of the pandemic will benefit this organization and the City of Houston for years to come. Houston First has invested wisely and will continue to do so to ensure our facilities are ready for the future. Ultimately, it is our hospitality community and the broader region that will benefit—from increased visits to new employment opportunities.

As Chairman of this organization for the last eight years, I've witnessed Houston emerge as a more formidable player in travel and tourism due in no small part to the HFC team's efforts. Our city has embraced change, investment, and innovation in ways that have transformed us into a world-class destination. As we look forward, let's continue to work together to maintain this momentum and ensure that Houston remains a city of opportunity and endless discovery for residents and visitors alike.

David M. Minberg

DAVID MINCBERG
CHAIRMAN OF THE BOARD OF DIRECTORS

FROM THE PRESIDENT & CHIEF EXECUTIVE OFFICER

As the nation's fourth-largest city, Houston has long been a cultural and economic hub, and its diverse blend of people and industries have made the city a mecca for creative entrepreneurs and Fortune 500s alike. But in the catalog of industries that thrive in this dynamic metro region—from energy and life sciences to trade and technology—the travel and hospitality sector is seldom recognized.

Houston has one of the world's largest regional economies and this sector is an integral part of that equation—accounting for 10% of the jobs in the region and billions of dollars in economic impact. The millions of people who traveled to Houston last year stayed in our hotels, dined in our restaurants, shopped in our stores, and contributed to the revenues of countless local businesses. Travel supports the livelihoods of many Houston families.

It's Houston First's responsibility to guide our trajectory as a destination, to set a course for what's possible and work with our stakeholders across the region to ensure success now and well into the future. We have a tremendous opportunity to shape not just the perceptions of Houston but also how destinations function in relation to their community and the impact they can have on people and businesses.

Our industry has the capacity to enrich lives, support our economy and keep Houston on the global map. As Houston First continues to promote the city and the region to ensure we remain a top choice for visitors around the world, we want Houstonians to understand the larger role our industry plays and how each of us can advocate for the place we call home.

Working collaboratively, we can continue to make Houston a place of hospitality and opportunity for all. That is truly the power of together.



MICHAEL HECKMAN
PRESIDENT & CHIEF EXECUTIVE OFFICER



Our industry has the capacity to enrich lives, support our economy and keep Houston on the global map.

Our Mission

Houston First Corporation (HFC) creates value and enhances economic prosperity by promoting the Houston region.

Formed in 2011 as a local government organization, today HFC is the official destination marketing organization for the nation's fourth-largest city. In addition to operating the George R. Brown Convention Center and some of Houston's most prominent art, entertainment, and event venues, HFC is solidifying Houston as a premier national and global destination.

HOUSTON FIRST BRANDS & FACILITIES





George R. Brown Convention Center & Hilton Americas - Houston



Jones Hall for the Performing Arts



Lynn Wyatt Square for the Performing Arts

HOUSTON FIRST MANAGES

\$1 BILLION+ IN ASSETS

2.6 MILLION SQ. FT.
OF BUILDING SPACE

25 ACRES OF GREEN SPACE

11,000+ PARKING SPACES

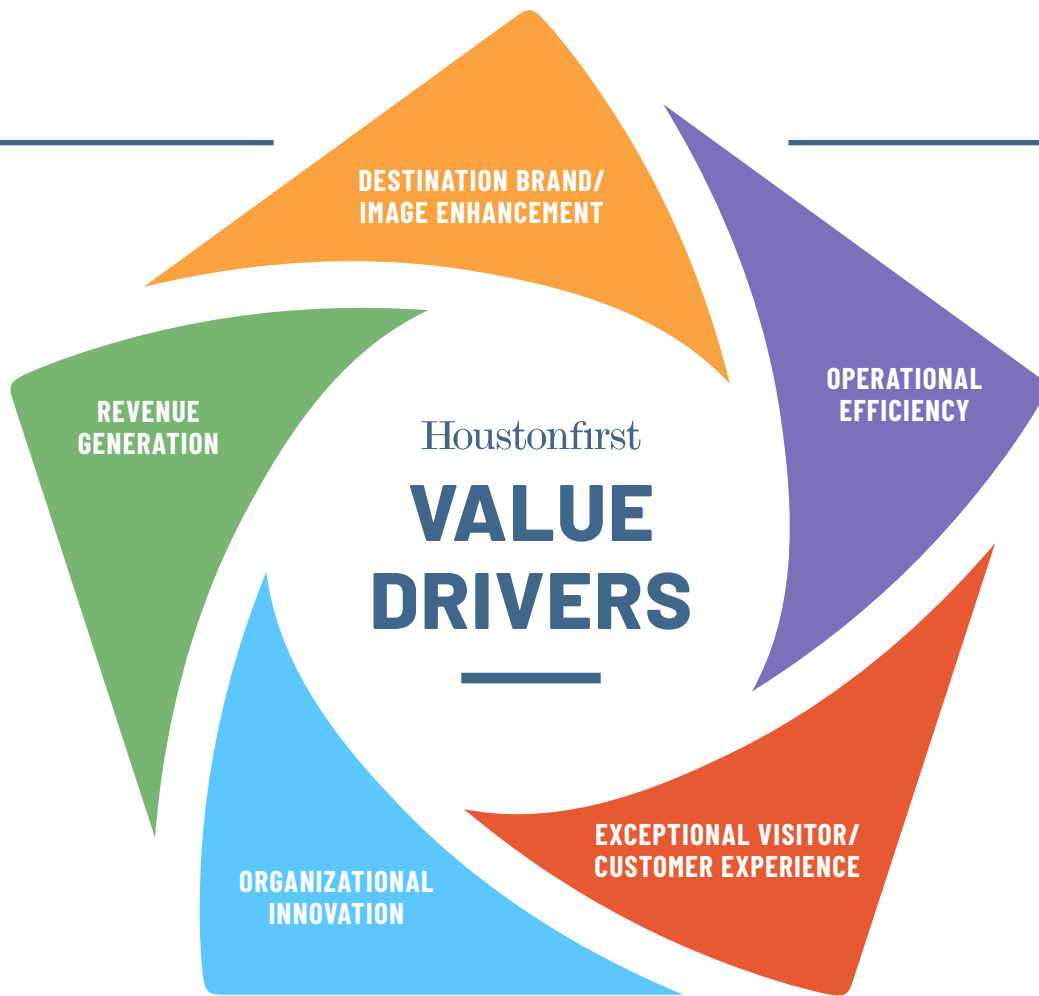


Wortham Theater Center

"Houston está captando los radares de los viajeros y sibaritas al ser considerado un destino culinario, artístico y cultural."

"Houston is capturing the radar of travelers and foodies as it is considered a culinary, artistic, and cultural destination."

FOOD AND TRAVEL MEXICO



HFC promotes Houston’s vibrant and diverse culture throughout the world. We create and enhance opportunities for the community, and when we succeed, Houstonians prosper.

Within the organization, we continue to emphasize the importance of delivering value through our decisions and in our actions so that we maximize visitation to the region, inspire pride among residents, and contribute to a thriving Houston economy.

STRATEGIC PILLARS

TRANSFORMATIONAL LEADERSHIP

Enhance and employ organizational relevance by inspiring, influencing, and leading key stakeholder groups in furtherance of HFC’s mission and value for Houston.

DESTINATION DEVELOPMENT

Serve as a catalyst for initiatives that strengthen Houston’s global reputation, increase travel to the city, and improve HFC’s economic impact to the community.

REVENUE DIVERSIFICATION & ASSET GROWTH

Advance new opportunities for additional revenue streams, asset growth, and financial mechanisms that strengthen HFC’s financial outlook and viability.

Travel & Hospitality Impact

PROJECTED NUMBER OF VISITORS
TO THE CITY OF HOUSTON IN 2023

51 MILLION+

UP 5% FROM 2022

IMPACT

CITY OF HOUSTON

\$14.3 BILLION

GENERATED ECONOMIC IMPACT

\$1.9 BILLION

STATE & LOCAL TAXES GENERATED

113,000

JOBS
SUPPORTED

HOUSTON REGION

\$23.6 BILLION

GENERATED ECONOMIC IMPACT

\$3.6 BILLION

STATE & LOCAL TAXES GENERATED

192,000

JOBS
SUPPORTED

Figures represent analysis of 2022 data by Tourism Economics.

HOTELS

23.3 MILLION

HOTEL ROOM
NIGHTS

UP 7.3%

Room nights booked in the 12 months ending September 2023, up 7.3% from the previous 12-month period.

	OCCUPANCY	ADR	REVPAR	ROOM NIGHTS	REVENUE
2023	60%	\$113	\$67	23.3 MILLION	\$2.6 BILLION
% CHANGE FROM 2022	<u>+7.7%</u>	<u>+7.5%</u>	<u>+15.8%</u>	<u>+7.3%</u>	<u>+15.3%</u>

AIRLIFT

59 MILLION

PASSENGERS THROUGH
HOUSTON AIRPORTS

UP 12.0%

Passengers traveling through George Bush and Hobby airports for the 12 months ending September 2023, up 12% from the previous 12-month period.

THE RETURN OF TRAVEL

The travel and tourism sector continued to pick up momentum in the U.S. and worldwide in 2023 as it shook off the last effects of the COVID-19 pandemic and moved into growth territory.

As of June 2023, 17 of the 22 countries tracked by the travel news and research company Skift had experienced a recovery of major travel indicators to pre-pandemic levels.

In the U.S., Transportation Security Administration data shows travel volumes that now mirror 2019. Tourism spending is up 4% this year over 2022 while hotel demand nationally is up nearly 2% year-over-year. Overseas arrivals in the U.S. rose more than 35% by September 2023 over the same period

in 2022, though conditions and conflicts abroad have prevented volumes from reaching 2019 levels.

Here in Texas, travel spending is up 7% over last year while employment in the leisure and hospitality industry increased roughly 5%.

At the local level, 83 million people traveled to the Houston metro region in 2022, a figure that's anticipated to grow even more in 2023. Regional travel spending hit \$13.9 billion for the year, up 18% from 2021, and is on pace to rise again in 2023. The leisure and hospitality sector, which accounts for more than 10% of the jobs in the region, saw a 2% increase in employment over the last year.

**VISITOR VOLUME TO THE REGION INCREASED
3.8 MILLION TO REACH 102% OF 2019 VOLUMES AS
OVERNIGHT AND DAY VISITS GREW 6% AND
4% YEAR-OVER-YEAR, RESPECTIVELY.**



Visitor Spending Rebounds

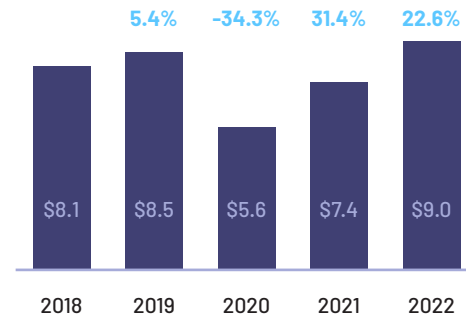
How much visitors spend in a destination is a strong indicator of the market's overall health. Houston has experienced a steady rebound in visitor spending in recent years.

Visitors to the City of Houston spent \$9 billion across a range of sectors in 2022, an increase of 23% over 2021 and reaching 106% of 2019 spending levels.

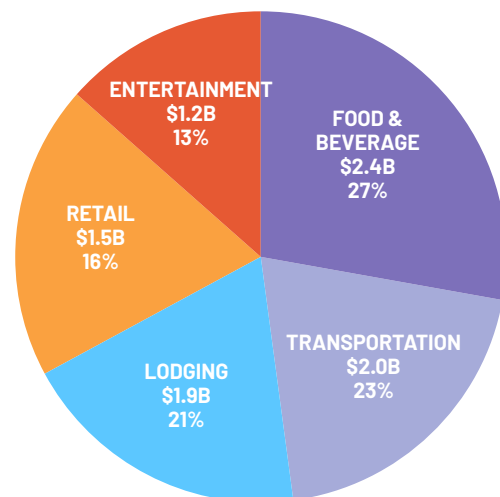
Of the \$9 billion spent in 2022, food and beverage spending contributed \$2.4 billion, or about 27% of total spending. Transportation accounted for 23% of spending at \$2 billion. Visitors spent 21% of their total budget on lodging, 16% on shopping, and 13% on recreation and entertainment.

City of Houston Visitor Spending

Amounts in \$ billions



Source: Tourism Economics, Longwoods International



Source: Tourism Economics, Longwoods International

Note: Lodging spending is calculated as an industry and includes second home and short-term rental spending. Transportation includes both air and local transportation.



Houstonian Trellis Spa

"No matter how suspicious you are about Houston, you owe it to yourself and the city to stop by and get all those precious preconceptions shattered."

PASTE MAGAZINE

*"As America's most diverse city,
it's no surprise that Houston
made our list of the best U.S.
cities for foodies."*

TRAVEL + LEISURE

Restoring Destination Dynamics

CONVENTION GROWTH

In the first 9 months of 2023, the HFC Sales team booked 419 meetings representing 294,827 room nights. That's up from 321 meetings and 198,157 room nights during the same period in 2022. Importantly, the sales pipeline—as measured by room nights tied to specific events—increased 66% in 2023 compared with the year prior thanks to a robust lead generation strategy that included increased presence at major industry events, a significant increase in site visits, and roughly twice the number of in-market and out-of-market HFC hosted events.

Key events booked in 2023 for future years include the international energy conference Gastech in 2024 (14,000 attendees) and the Republican National Convention in 2028 (50,000 attendees).

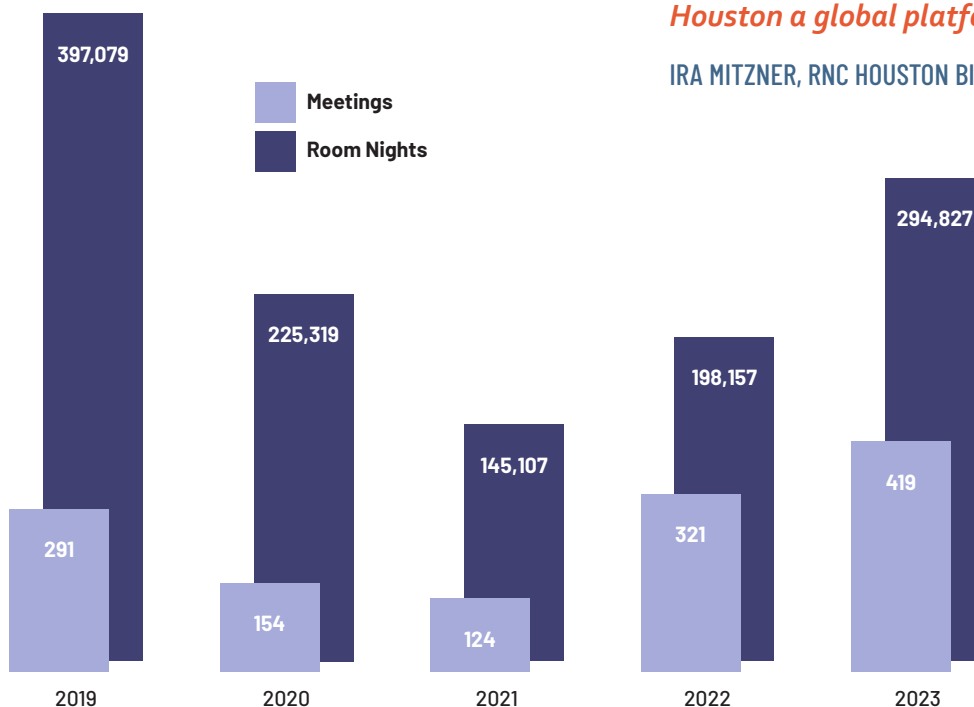
The client services team helped host more than 527 meetings and events in Houston in calendar year 2023, representing 591,069 room nights. That's an increase from the 414 meetings and 580,831 room nights in calendar year 2022.

"A lot of hard work went into securing this bid, and I'm elated that the effort has been rewarded with what will be an enormously important event that will have a tremendous economic impact and give Houston a global platform."

IRA MITZNER, RNC HOUSTON BID COMMITTEE CHAIR

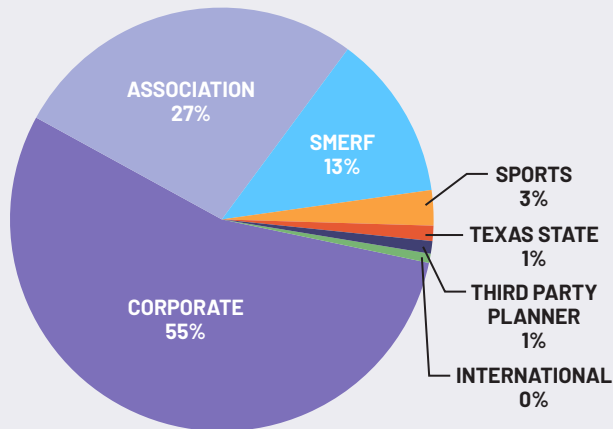
Definite Production YTD

January – September for Each Year Including 2023



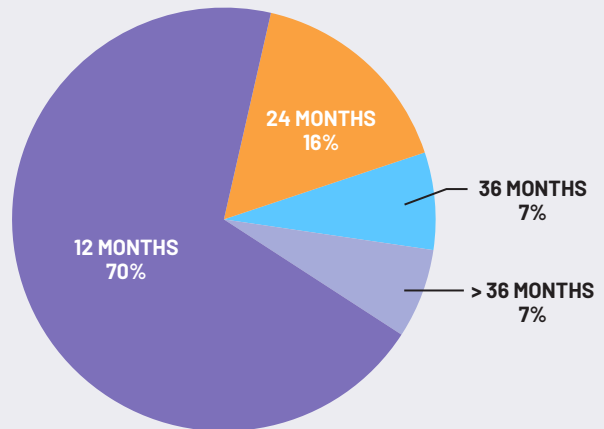
Meetings Category

January - September 2023



Meetings Booking Window

January - September 2023



WEAVING A COMPELLING NARRATIVE

Houston First tells the Houston story to potential visitors from across the country and around the world. Effective storytelling includes marketing through a spectrum of channels and mediums, working with our stakeholders to ensure message consistency, and hosting familiarization or FAM trips that allow tour operators, sales clients and media to experience the destination.

The Tourism department worked to strengthen engagement with hospitality organizations across the region in 2023, including HFC's 15 partner cities from the Around Houston partnership. Through the relaunched Houston Insider program, the team conducted trainings with more than 100 Houston hospitality professionals to ensure consistency of destination messaging.

In an effort to enhance travel agent's familiarity with Houston, HFC launched an online training platform called Houston Travel Pro in both English and Spanish. To date, more than 3,000 agents from around the world were successfully trained in-person or through the new platform.

Travel Industry Events with Key Houston Presence

IPW	San Antonio
Brand USA Travel Weeks	London
Texas Travel Summit	El Paso
Destinations International	Dallas
ARLAM	Monterrey
ARLAG	Guadalajara
EPTUR	Mexico City

**BY YEAR-END 2023, HOUSTON FIRST
EXPECTS TO GENERATE MORE THAN:**

400 MEDIA ARTICLES
GENERATED

180 JOURNALISTS
FAM VISITS

3 BILLION
EARNED-MEDIA IMPRESSIONS

5 MILLION
WEBSITE VISITS

270 MILLION
SOCIAL MEDIA IMPRESSIONS

Hosted events are a key tool in generating exposure and recognition of the Houston brand and the destination. In January, Houston First partnered with the renowned James Beard Foundation to host the culinary organization's Chef Action Summit. More than 200 chefs, advocates and food industry leaders gathered for the three-day event to develop policy recommendations around the federal Farm Bill and discuss actions toward a more sustainable food future.

National sporting events offer a unique opportunity to maximize exposure. The NCAA Men's Final Four in March presented such an opportunity with 290 media and tens of thousands of fans in Houston for the three games. HFC used the tournament to host convention clients and also hold a media event for visiting press.

To further bolster exposure in the region's largest international market, Houston served

as the exclusive U.S. destination partner for the Food & Wine Festival in Mexico City in November. More than 7,000 people attended the two-day festival that featured several Houston chefs and included cooking classes, tastings, and a series of unique culinary experiences.

HOUSTON WEEK IN MEXICO

In May, HFC coordinated Houston's largest ever trade and tourism mission to Mexico. Led by Mayor Turner and supported by the Greater Houston Partnership and Texas Medical Center, the Houston Week mission included dozens of meetings with over 100 business entities and resulted in 212 million earned media impressions in Mexico. The mission helped forge new binational alliances and strengthen existing ties between the two regions.



"Houston Week in Mexico created valuable opportunities for Texas Medical Center and member institutions across our campus to begin relationships with startup companies, clinical researchers, industry partners, and academic institutions. These early conversations are crucial for collaborations that further lifesaving discoveries and build the largest innovation ecosystem."

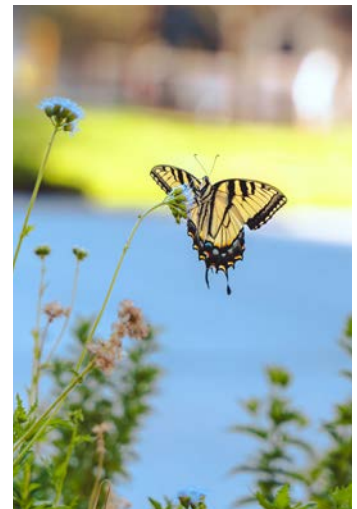
**BILL MCKEON, PRESIDENT AND CEO,
TEXAS MEDICAL CENTER**



Making Tomorrow Together

Houston First works both independently and alongside partners on special projects and initiatives that enhance the city for visitors and Houstonians.

One of the largest of these projects is the transformation of a full city block in the Houston Theater District into the Lynn Wyatt Square for the Performing Arts. This dynamic new \$26.5 million park opened in late summer 2023, engaging visitors with lush gardens, performance space, art installations, and much more.



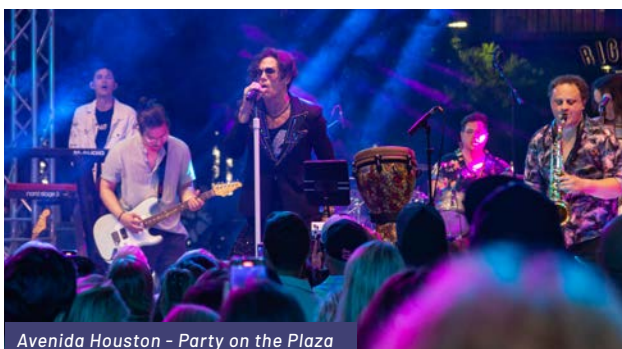
"I like to say I was born, bred, and buttered in Houston... I hope this square is enjoyed by all people for many generations to come."

LYNN WYATT





Another major initiative is the Comicpalooza pop-culture convention held at the George R. Brown Convention Center each spring. Houston First owns and produces the annual show that draws nearly 45,000 participants to downtown during Memorial Day weekend. In 2023, William Shatner and cast members from popular Marvel properties were among the headliners.



Additional events include:

HOUSTON THEATER WEEK Event promoting the seasons of Houston's resident performing arts companies. Nearly 25,000 tickets were sold in fall 2023 with revenues up more than 50% over 2022.

STATE OF THE CITY More than 1,500 attended Mayor Turner's final State of the City address in September.

PARTY ON THE PLAZA Seasonal public concert series on Avenida Houston designed to entertain and create incremental revenue for partners.

CITY LIGHTS Downtown holiday lighting display supported by Shell Energy that reinforces seasonal activations across the community.

"In Houston, southern hospitality meets urban sophistication—with a smorgasbord of things to do in between. From hot spots, historic saloons, and hipster hangouts to a thriving performing arts and museum scene, America's fourth-most populous city has so much to do..."

COSMOPOLITAN

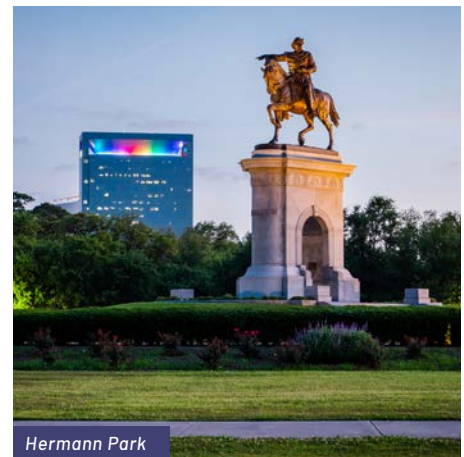


EVOLVING PERCEPTIONS

Rooftop Cinema Club

In 2023, HFC commissioned Omnitrak Group Inc. to provide an update to a brand perception study first conducted in 2021. The goal was to determine how efforts to reinforce positive perceptions of the destination have fared. Approximately 1,800 U.S. adults were surveyed.

When considering the factors that make up Quality of Place within a city Houston places seventh among major cities. Here's a look at how perceptions have changed across specific attributes.



Hermann Park

Houston is a place...

...that celebrates diversity	48%	+2%
...that is fun and carefree	47%	+1%
...where anything is possible	47%	+1%
...where you can be yourself	49%	+1%

*As compared to 2021 survey.

Nearly one in five respondents to the Omnitrak survey are interested in visiting Houston in the following 24 months, ranking the city 10th among its competitive set.

CELEBRATING COMMUNITY & ORGANIZATION DIVERSITY

As the nation's most diverse city, Houston has the opportunity to celebrate the multicultural richness that makes this such a dynamic place. HFC shares the city's history of creativity and heritage locally and with the world through celebratory events, tourism activities and storytelling.



BLACK HERITAGE

HFC's 2023 Black History Month lineup at Avenida Houston included three weekends of music, art, and celebration in February. HFC continued its partnership with BLCK Market to present an open-air marketplace featuring black-owned entrepreneurs each Saturday including artists, designers, and entrepreneurs offering unique and one-of-a-kind products. Entertainment included Creole, Soul, Blues, R&B and Neo-Soul from artists including Spud Howard, Marium Echo, Patrice Dominique, Polo the Vibe, Cupid and many more. A special collection of images by Houston-based artist Sebastien Boncy was displayed along Avenida Houston in Partnership Tower.





ASIAN AMERICAN & PACIFIC ISLANDER HERITAGE

During AAPI Heritage Month the HFC team brought together several weekends of fun on Avenida Houston under the banner AAPI Amplified. The free cultural celebration included contemporary dance, musical performances and art—from the hip-shaking eclectic range of Malia’s Hula Hut group showcasing the Pacific Islands to Maxim, one of Houston’s premiere Vietnamese bands.



HISPANIC HERITAGE

For National Hispanic Heritage Month, HFC planned a lively event with Latin and Mexican regional music. The organization was also once again a top sponsor for Houston’s Día de los Muertos Parade, a procession of stunning pageantry with authentic music and dance celebrating the living while honoring the deceased.

EXPANDING FOCUS ON DE&I

HFC recognizes the importance of cultivating an environment that nurtures talent; that is equitable and values diverse perspectives and backgrounds; and, above all, is respectful to everyone.



Following the successful launch of a DE&I Council and separate Business Resource Group in 2022, HFC continued to build on efforts in 2023, expanding professional development resources and DE&I training for staff as well as adding more educational activities around diversity and heritage months. The organization also expanded its DE&I Hospitality Industry Internship Program, providing college students an eight-week rotation with several HFC departments to better understand the dynamics of working in the sector. A new Tourism Diversity Matters Apprenticeship program was launched to ensure our newest team members and the company perspective are representative of the community we serve.



"Drawing from its Gulf Coast location and infusion of recipes from immigrants from all corners of the globe, H-town's restaurants reflect a diversity of cuisine options and unexpected fusions that sizzle and smoke their way to your table."

SOUTHERN LIVING

A RE-IMAGINED CONVENTION CAMPUS

In recent years, the George R. Brown Convention Center (GRB) and the surrounding convention district have played host to some of the city's largest celebrations — from the events surrounding Super Bowl LI to the 2023 NCAA Men's Final Four March Madness Music Festival and Fan Fest. Add to that the hundreds of events, conventions and trade shows that fill the GRB each year and collectively bring hundreds of thousands of visitors to our city and it's clear the center is an economic generator for Houston. But the GRB — originally built in 1987, with an expansion in 2003 and facade renovation in 2016 — is in desperate need of modernization.

In today's rapidly evolving travel and tourism sector, nothing stagnant is sustainable. From Miami to Seattle, America's cities are renovating, expanding, and even rebuilding their convention centers and their broader districts to meet the changing demands of event organizers and attendees.

The HFC team has worked diligently to successfully rebuild the meetings and conventions pipeline, but more tools are needed to continue to win in an increasingly competitive national environment. Today's mega meeting facilities can no longer simply be huge boxes activated only for conventions and shut off from the public. Rather, they must be welcoming, flexible, sustainable, and integrated with their surroundings.

Thanks to a bipartisan bill passed by the Texas legislature in 2023, Houston will be able



Conceptual images represent a vision for the campus and are not plan renderings.

to use state hotel occupancy tax revenues surrounding the convention district to help fund a complete transformation of the building and campus. The measure sponsored and led by Senator John Whitmire and Representative Sam Harless is estimated to generate \$2 billion in the coming years to fund the project, which is likely to be a catalyst for further development downtown and create billions in new revenue and thousands of jobs.

An expanded and re-imagined GRB will allow Houston to secure more and bigger events. In the months ahead, HFC will work with neighboring stakeholders, convention clients and others to develop a detailed plan and a timeline for the project that will be phased and take several years to complete.

This once-in-a-generation project will not only create a new destination for both locals

and visitors, it will also work in conjunction with plans for the North Houston Highway Improvement Project, connecting Downtown with EaDo and the East End and the billions of dollars of investment happening in that part of the city. It's Houston First's intention that the re-imagined convention district integrate with its surroundings, helping restitch neighborhoods and facilitate growth for the next 50 years.

"I'm proud that we have been able to begin this important effort [to re-imagine the convention district] that will keep us competitive as a destination and more importantly, leave a lasting impact for Houstonians."

MAYOR SYLVESTER TURNER,
STATE OF THE CITY 2023



LOOKING AHEAD TO 2024

In the year ahead, HFC will accelerate its efforts to grow Houston's travel and hospitality footprint while expanding our reach around the world. The organization has begun the process of creating a Destination Development Plan that will guide efforts for the next decade. Organization-wide priorities for the year ahead and select specific tactics include:

■ PURSUE EXCELLENCE IN CORPORATE CULTURE

□ BOOST THE ECONOMIC IMPACT OF LEISURE TRAVEL TO HOUSTON

Increase leisure sales from the travel trade market by sharing Houston product information with an expanded pool of travel agents using the Houston Travel Pro educational portal.

■ MANAGE NEW CONDITIONS AFFECTING CONVENTION SALES

□ ACCELERATE BOOKING PACE FOR '25 TO '27 CONVENTION BUSINESS

Target key sales markets, including Washington D.C., Chicago, Austin, Dallas, Minneapolis, Denver, and Seattle. Pursue large corporate meetings that continue to have a shorter booking window.

■ IMPLEMENT PHASE 1: CONVENTION DISTRICT TRANSFORMATION

■ DEVELOP CONVENTION SALES STRATEGIES FOR TRANSFORMED CONVENTION DISTRICT

□ DELIVER SUPERIOR CONVENTION CLIENT EXPERIENCES

Implement new feedback mechanisms before, during, and after events that allow HFC to identify and address issues in a more timely and effective manner with all stakeholders, improving the experience for current and future clients.

□ INCREASE TRAVEL MARKET SHARE FROM MEXICO

Boost travel trade business from Mexico by conducting in-market trade missions, participating in in-country events that magnify Houston's presence, and hosting in-person training sessions as well as FAMs in Houston.

□ SEIZE EMERGING INTERNATIONAL MARKETS

Monitor emerging markets for Houston, particularly the United Kingdom and Southeast Asia, and develop comprehensive programs that target travelers from these regions.

□ **PROMOTE EXCEPTIONAL 360° VISITOR EXPERIENCES**

Expand the Houston Insider program with the training of an additional 2,500 hospitality staff through a curriculum that directly addresses current conditions identified from visitor experiences. The program includes FAM trips for the local hospitality community showcasing the Houston experience to frontline employees.

□ **ENHANCE DESTINATION APPEAL AT HFC FACILITIES**

Deliver engaging, artistic, cultural, and entertainment-driven public programs year-round at Avenida Houston as well as the newly opened Lynn Wyatt Square, providing incremental revenue to our partners and our properties.

□ **STRENGTHEN HOUSTON'S BRAND EQUITY**

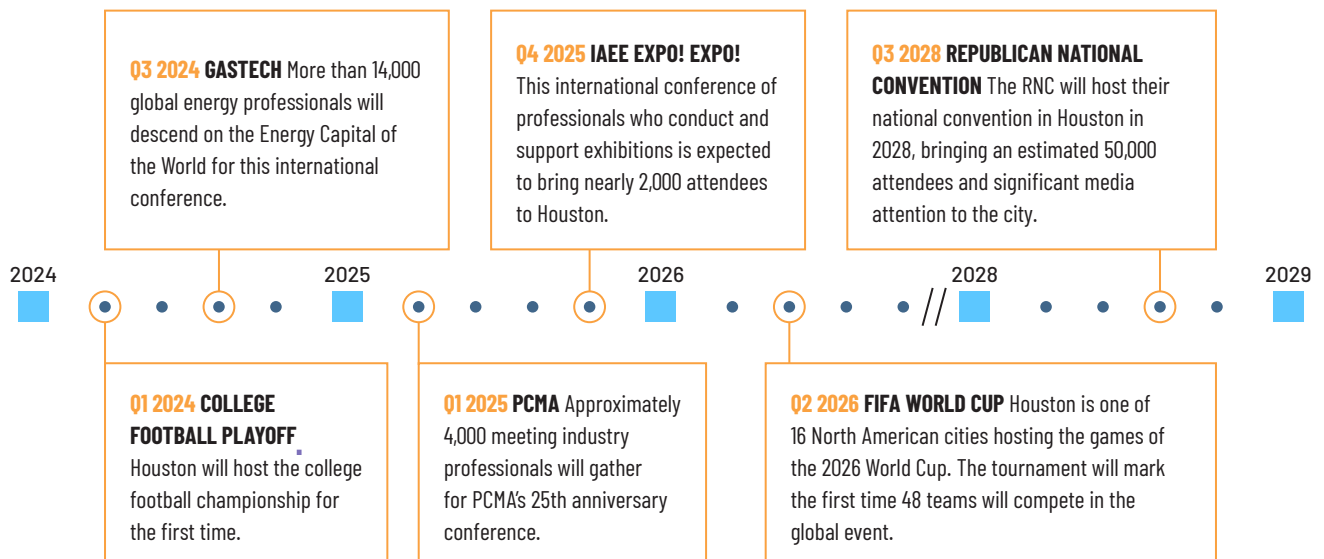
Enrich the organization's digital media portfolio and generate audience engagement with authentic storytelling that highlights the Houston experience.

□ **FOSTER GREATER SYNERGY AS A DESTINATION**

Develop a brand coalition comprised of key industry stakeholders that can amplify Houston's brand, while working with aligned groups on marketing initiatives and content.

■ **INCREASE THE NUMBER OF HOUSTON TV & FILM PROJECTS**

ON THE HORIZON



2024 BUDGET SUMMARY

	CY 2022 ACTUALS	CY 2023 ORIGINAL BUDGET	CY 2023 FORECAST	CY 2024 BUDGET	VARIANCE H/(L) THAN CY 2023 FORECAST
Venue Revenue	\$82,640,103	\$85,315,300	\$94,166,452	\$91,187,640	\$(2,978,812)
Parking.	\$21,455,576	\$19,903,565	\$20,657,009	\$21,781,864	\$1,124,855
Miscellaneous	\$3,050,991	\$2,852,400	\$2,088,528	\$2,422,145	\$333,617
OPERATING REVENUES	\$107,146,670	\$108,071,265	\$116,911,989	\$115,391,649	\$(1,520,340)
Personnel	\$20,073,181	\$27,341,273	\$25,935,845	\$29,798,976	\$3,863,131
Advertising & Promotion	\$7,017,208	\$8,212,233	\$8,096,322	\$11,034,880	\$2,938,558
Travel, Promotion, and Events	\$4,760,636	\$3,457,040	\$4,684,024	\$9,850,577	\$5,166,553
Facility Maintenance	\$7,733,209	\$10,191,295	\$8,903,251	\$10,770,240	\$1,866,989
Food and Beverage	\$14,732,998	\$14,943,235	\$17,772,643	\$14,585,017	\$(3,187,626)
Security	\$3,719,777	\$5,454,933	\$4,929,401	\$6,498,200	\$1,568,799
Utilities	\$5,415,341	\$5,767,522	\$5,915,035	\$7,406,685	\$1,491,650
Parking	\$2,127,272	\$2,424,329	\$2,460,642	\$3,246,426	\$785,784
Janitorial	\$5,733,903	\$6,534,287	\$6,797,957	\$6,710,543	\$(87,414)
Insurance	\$5,395,159	\$6,411,273	\$7,722,873	\$9,888,272	\$2,165,399
Lease Expense	\$1,524,252	\$1,525,410	\$1,524,305	\$1,524,450	\$145
Consulting	\$2,040,926	\$2,943,600	\$2,502,085	\$3,140,450	\$638,365
Supplies	\$674,856	\$1,092,784	\$1,041,005	\$1,318,781	\$277,776
Fees & Services	\$933,502	\$928,650	\$873,152	\$1,384,850	\$511,698
Computer Services	\$910,605	\$1,002,096	\$1,115,302	\$1,205,186	\$89,884
Legal Expense	\$545,416	\$830,000	\$951,231	\$950,000	\$(1,231)
Other	\$1,001,367	\$947,482	\$835,740	\$1,106,054	\$270,314
OPERATING EXPENSES	\$84,339,609	\$100,007,442	\$102,060,811	\$120,419,586	\$18,358,775
NET INCOME FROM OPERATIONS	\$22,807,061	\$8,063,822	\$14,851,177	\$(5,027,937)	\$(19,879,115)

	CY 2022 ACTUALS	CY 2023 ORIGINAL BUDGET	CY 2023 FORECAST	CY 2024 BUDGET	VARIANCE H/(L) THAN CY 2023 FORECAST
Hotel Occupancy Tax (Current & Delinquent)	\$84,367,831	\$99,000,000	\$105,752,649	\$111,000,000	\$5,247,351
Contributions	\$10,930,250	----	\$20,000	----	\$20,000
Net Available Pledged Rev. Transfer	\$(1,118,028)	----	\$1,501,210	\$678,000	\$(823,210)
Interest Income	\$718,601	\$515,969	\$1,565,237	\$2,146,200	\$580,963
NON-OPERATING REVENUES	\$94,898,654	\$99,515,969	\$108,839,095	\$113,824,200	\$4,985,105
Sponsorship Expense	\$601,356	\$1,032,550	\$753,502	\$1,152,850	\$399,348
Non-COH Contractual Obligations	\$3,897,586	\$3,679,656	\$3,665,449	\$3,681,744	\$16,295
Programming & Events	\$1,838,968	\$2,985,000	\$2,285,176	\$3,150,000	\$864,824
Contingency	----	\$4,000,000	\$2,000,000	\$4,000,000	\$2,000,000
Capital Spending	\$10,126,096	\$1,215,582	\$20,976,875	\$568,073	\$(20,408,802)
Debt Service	\$67,952,796	\$70,879,200	\$70,695,368	\$70,885,128	\$189,760
COH Contractual Obligations	\$17,337,394	\$20,455,416	\$21,444,265	\$22,620,797	\$1,176,532
Hotel Tax Refunds	\$1,051,063	\$1,716,446	\$1,292,294	\$1,330,916	\$38,622
NON-OPERATING EXPENSES	\$102,805,259	\$105,963,850	\$123,112,928	\$107,389,508	\$(15,723,421)
TOTAL REVENUE LESS EXPENSES	\$14,900,456	\$1,615,941	\$577,344	\$1,406,755	\$829,411
CAPITAL - PRIOR YEAR CARRY FORWARD	----	\$11,415,367	----	\$5,028,512	\$5,028,512
CAPITAL - FINANCED PROJECTS	\$5,273,471	\$18,122,312	\$5,626,750	\$19,946,250	\$14,319,500
DISASTER EXPENSE	\$40,095	----	\$147,334	\$178,600	\$31,266



Houston is Inspire Mural Paint Refresh



James Beard Foundation Awards - Post Houston



Avenida Houston - Beyoncé Homecoming Event



RNC Houston 2028 Announcement



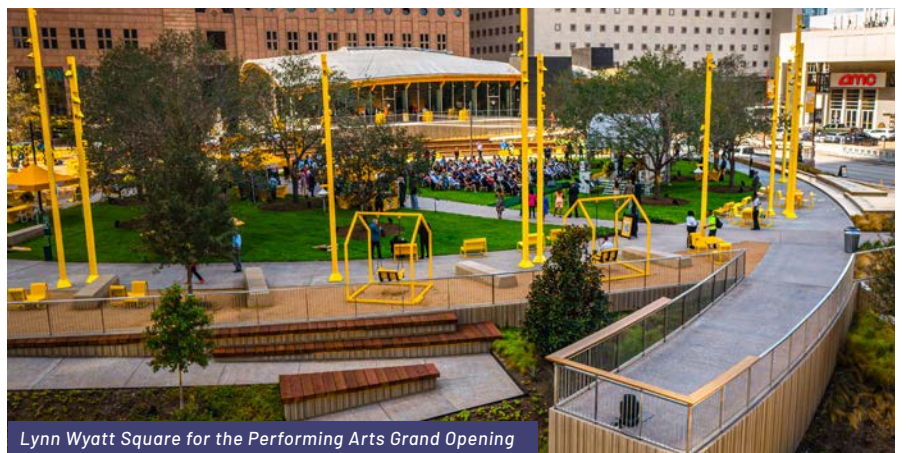
Avenida Houston - Beyoncé Homecoming Event



Comicpalooza 2023



State of the City 2023



Lynn Wyatt Square for the Performing Arts Grand Opening



National Urban League Conference Community Day at GRB



Houstonfirst.

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