2018 Facilities Update
From Super Event To Mega Shelter
7 Months
From Mega Shelter To Super Event

7 Weeks
“Inside the Houston Grand Opera’s ‘Resilience Theater’ at George R. Brown”
Hilton Americas-Houston
Miller Outdoor Theatre
Jones Hall
Talento Bilingue de Houston
Theater District Parking
Wortham Theatre
Financials
### Operating Revenues

<table>
<thead>
<tr>
<th>Revenue Type</th>
<th>2017 Approved Budget</th>
<th>2017 Projection</th>
<th>2018 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Venue Revenue</strong></td>
<td>$53,030,218</td>
<td>$52,238,360</td>
<td>$53,322,193</td>
</tr>
<tr>
<td><strong>Parking Revenue</strong></td>
<td>17,483,266</td>
<td>15,165,607</td>
<td>17,290,855</td>
</tr>
<tr>
<td><strong>Miscellaneous Revenue</strong></td>
<td>1,439,150</td>
<td>910,671</td>
<td>1,193,152</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td><strong>$71,952,634</strong></td>
<td><strong>$68,314,638</strong></td>
<td><strong>$71,806,200</strong></td>
</tr>
</tbody>
</table>
## 2018: Budget-Operating Expenses

<table>
<thead>
<tr>
<th>OPERATING EXPENSES</th>
<th>2017 APPROVED BUDGET</th>
<th>2017 Projection</th>
<th>2018 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Venue Operations</td>
<td>$ 42,120,124</td>
<td>$ 38,937,086</td>
<td>$ 40,977,838</td>
</tr>
<tr>
<td>Sales &amp; Marketing</td>
<td>28,428,407</td>
<td>27,032,412</td>
<td>27,295,313</td>
</tr>
<tr>
<td>Administration</td>
<td>16,810,007</td>
<td>15,437,451</td>
<td>15,377,416</td>
</tr>
<tr>
<td>Enterprise Development</td>
<td>2,453,257</td>
<td>2,477,569</td>
<td>2,706,401</td>
</tr>
<tr>
<td>Hotel Administration</td>
<td>1,661,500</td>
<td>1,588,231</td>
<td>1,604,500</td>
</tr>
<tr>
<td>Regional Product Development</td>
<td>1,141,638</td>
<td>655,990</td>
<td>1,332,076</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>$ 92,614,933</strong></td>
<td><strong>$ 86,128,738</strong></td>
<td><strong>$ 89,293,545</strong></td>
</tr>
</tbody>
</table>
## 2018: Budget Non-Operating Revenues

<table>
<thead>
<tr>
<th>Non-Operating Revenues</th>
<th>2017 Approved Budget</th>
<th>2017 Projection</th>
<th>2018 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hotel Occupancy Tax</strong></td>
<td>$86,290,000</td>
<td>$83,300,391</td>
<td>$87,000,000</td>
</tr>
<tr>
<td><strong>Interest Income</strong></td>
<td>$370,000</td>
<td>663,049</td>
<td>675,744</td>
</tr>
<tr>
<td><strong>Total Non-Operating Revenues</strong></td>
<td>$86,660,000</td>
<td>$83,963,440</td>
<td>$87,675,744</td>
</tr>
</tbody>
</table>
## 2018: Budget Non-Operating Expenses

<table>
<thead>
<tr>
<th>NON-OPERATING EXPENSES</th>
<th>2017 APPROVED BUDGET</th>
<th>2017 Projection</th>
<th>2018 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Service</td>
<td>$ 50,623,205</td>
<td>50,505,710</td>
<td>46,017,338</td>
</tr>
<tr>
<td>COH Contractual Obligations</td>
<td>$ 17,831,723</td>
<td>17,338,182</td>
<td>17,727,261</td>
</tr>
<tr>
<td>Capital Spending</td>
<td>7,582,651</td>
<td>7,625,481</td>
<td>2,007,997</td>
</tr>
<tr>
<td>Civic Obligations</td>
<td>13,286,760</td>
<td>11,507,253</td>
<td>7,157,650</td>
</tr>
<tr>
<td>Contingency</td>
<td>2,500,000</td>
<td>-</td>
<td>2,300,000</td>
</tr>
<tr>
<td>Hotel Tax Rebates</td>
<td>2,403,444</td>
<td>2,049,846</td>
<td>3,096,213</td>
</tr>
<tr>
<td><strong>Net Non-Operating Revenues (Expenses)</strong></td>
<td><strong>$ (7,567,783)</strong></td>
<td><strong>$ (5,063,033)</strong></td>
<td><strong>$ 9,369,285</strong></td>
</tr>
</tbody>
</table>
## 2018 Budget

<table>
<thead>
<tr>
<th>Total Revenue less Expenses</th>
<th>2017 APPROVED BUDGET</th>
<th>2017 Projection</th>
<th>2018 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ (28,230,082)</td>
<td>$ (22,877,133)</td>
<td>$ (8,118,059)</td>
</tr>
</tbody>
</table>

| Disaster Expense            | $ -                  | $ (68,838,100)  | TBD         |
$121 MILLION PAID TO DIVERSITY FIRMS

$120,943,412 Since inception

<table>
<thead>
<tr>
<th>CY12</th>
<th>CY13</th>
<th>CY14</th>
<th>CY15</th>
<th>CY16</th>
<th>CY17 YTD</th>
<th>*CD Project</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>9%</td>
<td>35%</td>
<td>40%</td>
<td>50%</td>
<td>41%</td>
<td>48%</td>
<td>35%</td>
<td>37%</td>
</tr>
</tbody>
</table>
Sales
Sales Team Production

*Final numbers are a projection of the bookings expected to close by Dec 31, 2017*
Citywide Production

<table>
<thead>
<tr>
<th>Year</th>
<th>Goal</th>
<th>Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>395,469</td>
<td>395,469</td>
</tr>
<tr>
<td>2015</td>
<td>442,480</td>
<td>459,197</td>
</tr>
<tr>
<td>2016</td>
<td>478,000</td>
<td>446,959</td>
</tr>
<tr>
<td>2017</td>
<td>480,000</td>
<td>470,000*</td>
</tr>
<tr>
<td>2018</td>
<td>490,000</td>
<td>490,000</td>
</tr>
</tbody>
</table>

*Final numbers are a projection of the bookings expected to close by Dec 31, 2017
2017 Key Tentatives

<table>
<thead>
<tr>
<th>Market</th>
<th>Meetings</th>
<th>Room Nights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate</td>
<td>6</td>
<td>56,470</td>
</tr>
<tr>
<td>Association – Medical</td>
<td>6</td>
<td>106,076</td>
</tr>
<tr>
<td>Association – Business/Trade</td>
<td>5</td>
<td>79,553</td>
</tr>
<tr>
<td>Total</td>
<td>17</td>
<td>242,099</td>
</tr>
</tbody>
</table>
Non-Citywide Production

*Final numbers are a projection of the bookings expected to close by Dec 31, 2017*
International Production

- 2014: No Goal
- 2015: Goal 12,500, Production 22,634, 181% increase
- 2016: Goal 30,000, Production 43,797, 146% increase
- 2017: Goal 40,000, Production 40,988*, 102% increase
- 2018: Goal 50,000

*Final numbers are a projection of the bookings expected to close by Dec 31, 2017
Partnerships & Event Development
World’s Premier Space Commerce Conference

Annual Spaceport Summit for the Global Spaceport Alliance

Entrepreneurship Workshop & Competition

Attendees from 45 States and 31 Countries

Collaboration with NASA, BAYHEP, Rice Space Institute, GHP, Houston Airport System, and Houston Exponential
2018 Highlights

Memorial Day Weekend
Expected Attendance of 50,000+
Thousands of Hotel Room Nights
FOOD, WINE & SPIRITS FESTIVAL

Long-Term Strategy for an Annual Destination Event
Further Supports Houston’s Image as a Culinary Capital
Partner with National Food & Wine Event Organizer
Houston Film Commission
Accumulative Production 2016-2017 (YTD)

Direct Expenditures
$30,980,300

Number of Film/Video Project
418

Number of Filming Days
1,880
Feature Film
Sanitatum
Netflix Series
One Mississippi
Food Network
Diners, Drive-Ins and Dives
OWN Network
The Book of John Gray
Travel Channel Bizarre Foods
with Andrew Zimmern
Animal Planet’s
The Vet Life
Commercials:

- Chrysler
- Coca-Cola
- Adidas
- Hyundai
- Nike
- Reebok
- Ford
- Nissan
- Exxon
- Carl’s Jr
- Lexus
- Acura
- AETNA
- United Airlines
Commercials:

HEB
BBVA Compass
Foot Locker
Wells Fargo
Cisco
Gatorade
Mercedes
Aegis Security
Verizon
Walmart
Tide Detergent
Prudential
Chevrolet
Chase
Houston Film Community Support

Houston Indian Film Festival
Houston Latino Film Festival
Houston Gospel Film Festival
Houston 48 Hour Film Festival
Houston Cinema Arts Film Festival
Mack Performing Arts Collective
First Thursdays Short Film Series
MFAH Film Department
HCC Film and Video Department
Texas Filmmaker Showcase
Art Institute Media Department
Gulf Coast Film Festival
Tourism
Tourism Overview

Total visitors to Houston Metropolitan Statistical Area (MSA) in 2016 = **20.5 Million**

Tourism generates **$1.1 Billion** in local & state tax revenue

Tourism ranks **10th** in industry contribution to Houston’s GDP

Tourism saves each Houston resident **$650 Per Year**

**Mexico** is our largest international market, with **China** and **India** growing quickly
Tourism Trade – International

FOCUS ON OUR TOP FIVE INTERNATIONAL MARKETS

Public Relations Marketing
Travel Trade Training Travel Trade Sales
Improving the Customer Experience

Visitor Information Center:
- Hobby Airport Now Open

Coming Soon:
- Tour Operator Certification
- Metro Light Rail
- Tours from Avenida Houston
Regional Development

Visit Houston and Beyond

- Day Trips from Houston
- Marketing Program
- Trade and Consumer Show Program
- New section on our website
Tourism Development

- Educational Initiatives
- Matching Grant Program
- Tourism Summit
- Certified Tourism Ambassador Program
- NEW - Houston Marketplace
Discover the Unexpected.

The Houston Museum Pass
Access to eight premier museums, including exclusive perks, all delivered instantly to your phone.
Starting at $27

The Houston Brew Pass
Tasting flights at six of Houston’s top breweries
Starting at $18.95

1-Day Houston Museum Pass
- Explore the gems of Houston’s Museum District
- 8 museum admissions delivered seamlessly to your phone
- Exclusive discounts and perks
- Valid for 24 hrs after first use
$20.00 - $27.95

3-Day Houston Museum Pass
- Explore the gems of Houston’s Museum District
- 8 museum admissions delivered seamlessly to your phone
- Exclusive discounts and perks
- Valid for 72 hrs after first use
$38.00 - $46.95

30-Day Houston Museum Pass
- Explore the gems of Houston’s Museum District
- 8 museum admissions delivered seamlessly to your phone
- Exclusive discounts and perks
- Valid for 30 days after first use
$49.50 - $64.95
Regional Product Development
The Heritage Society @ Sam Houston Park
UNESCO Designation
San Jacinto Battleground

- Texas Parks & Wildlife Department
- San Jacinto Battleground Conservancy
- Battleship Texas Foundation
- San Jacinto Monument & Museum
- TX Historical Commission -- John Nau
- La Porte
- Deer Park
• 1 Million visitors/year
• 82% from outside Houston
• $73 Million impact/year
• Smithsonian affiliate

Space Center Houston
Airport Freeway Corridor Enhancements
Airport Freeway Corridor Enhancements
Marketing, Communications & Retail Operations
World Series Wager with @Discover Los Angeles

Discover Los Angeles

November 3 at 4:16pm

We’ve enjoyed hangin’ out with you today, Los Angeles! We want to give you a chance to experience all that Houston has to offer. And since we know you could use a W right about now, enter here to win a getaway to Houston: http://bit.ly/1a2houston

One thing we can all agree on is that free trips = 😊😊 Until we meet again! - Visit Houston

Jose Herrera: Thank you Houston you kept it classy!!! Till next year!

Like · Reply · 12 · November 3 at 4:22pm

Cecilia Borg: LOL! love that Houston is controlling this for a week! You guys sure have some amazing restaurants and a beautiful city... but LA still has my heart.

Like · Reply · 1 · November 4 at 1:08am

Follow 3 more comments
Pack Your Bag Challenge

<table>
<thead>
<tr>
<th>District</th>
<th>Council Member</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>CM Robert Gallegos</td>
<td>Avenida Houston</td>
</tr>
<tr>
<td>B</td>
<td>CM Jerry Davis</td>
<td>North Houston Skate Park</td>
</tr>
<tr>
<td>I</td>
<td>CM Robert Gallegos</td>
<td>8th Wonder</td>
</tr>
<tr>
<td>D</td>
<td>CM Dwight Boykins</td>
<td>Emancipation Park</td>
</tr>
<tr>
<td>A</td>
<td>CM Brenda Stardig</td>
<td>Marq*E</td>
</tr>
<tr>
<td>G</td>
<td>CM Greg Travis</td>
<td>CityCentre</td>
</tr>
<tr>
<td>C</td>
<td>CM Ellen Cohen</td>
<td>Memorial Park/Conservancy</td>
</tr>
<tr>
<td>K</td>
<td>CM Larry Green</td>
<td>Willow Waterhole</td>
</tr>
<tr>
<td>F</td>
<td>CM Steve Le</td>
<td>Viet Hoa</td>
</tr>
<tr>
<td>H</td>
<td>CM Cisneros</td>
<td>Ninfa's on Navigation</td>
</tr>
<tr>
<td>J</td>
<td>CM Mike Laster</td>
<td>Harwin</td>
</tr>
<tr>
<td>E</td>
<td>CM Martin</td>
<td>Lake Houston Wilderness Park</td>
</tr>
</tbody>
</table>
Retail Strategy
Provide opportunity to an underserved creative segment

Create an educational/networking opportunity for Houston’s fashion design community

Develop downtown retail / Add value to the Avenida Houston investment
59 designers, artists and artisans “launched” to date

66% of the designers are minority
100% are small businesses
Augmented Reality

- First US City to launch **Augmented Reality wayfinding APP**

- The **Visit Houston AR Browser** overlays data from VisitHouston.com to the natural world using geolocation. Where virtual data meets reality.

- Phase II updates include an integration with Lyft/Uber and ability to book reservations at restaurants and more...