

## CONVENTION AND ENTERTAINMENT FACILITIES

### Description and Mission

The Houston City Council approved the consolidation of the City's Convention & Entertainment Facilities Department into the Houston Convention Center Hotel Corporation, effective July 1, 2011, in order to improve the coordination of the City's convention and entertainment services by bringing various entities responsible for generating and spending City hotel occupancy tax ("HOT") revenues under one governing body. In connection with the Consolidation, the Hotel Corporation reconstituted and renamed itself as the "Houston First Corporation," which assumed the primary roles and responsibilities of the department. To accomplish this, the Hotel Corporation amended its bylaws and articles of incorporation to broaden its authority to accomplish its expanded duties and responsibilities. The Corporation has the authority to exercise all rights and privileges of a Texas nonprofit corporation and, as a governmental unit within the meaning of Chapter 101 of the Texas Civil Practice Remedies Code, its operations are governmental and not proprietary functions. The Corporation is governed by the board of directors appointed and approved by the Mayor and the City Council.

The Corporation (a) leases all previously existing department facilities and department-managed facilities; (b) operates, manages, maintains, develops, and redevelops those existing facilities; (c) has been assigned and now administers all of the department's obligations and responsibilities, as well as, its revenue budgeted as part of the department's budget, including, but not limited to, municipal HOT receipts, license fees, and concession revenues; and (d) as the City's agent, collects, administers, and audits HOT funds in accordance with terms of City ordinances. The City has entered into an Interlocal agreement with the Corporation, whereby the Corporation will lease all existing department facilities and department-managed facilities. The Consolidation Interlocal Agreement's initial term expires on December 31, 2026, but will be extended automatically until June 30, 2041, unless canceled by either party on or before June 30, 2026.

**FISCAL YEAR 2020 BUDGET**

**Fund Summary**

**Fund Name** : C&E - Facility Operating Fund  
**Business Area** : Convention & Entertainment  
**Fund No./Bus. Area No.** : 8601 / 4200

	<u>FY2019 Current Budget</u>	<u>FY2019 Estimate</u>	<u>FY2020 Budget</u>
Beginning Fund Balance	42,441,976	42,441,976	<b>40,898,444</b>
Current Revenues	100,620,874	97,265,912	<b>100,606,404</b>
Total Available Resources	<u>143,062,850</u>	<u>139,707,888</u>	<b>141,504,848</b>
Maintenance and Operations	381,514	313,985	<b>294,470</b>
Debt Services	100,699,958	97,046,459	<b>103,360,922</b>
Other Interfund Transfers	1,449,000	1,449,000	<b>1,449,000</b>
Total Expenditures	<u>102,530,472</u>	<u>98,809,444</u>	<b>105,104,392</b>
Planned Ending Fund Balance	<u>40,532,378</u>	<u>40,898,444</u>	<b>36,400,456</b>
Total Budget	<u><u>143,062,850</u></u>	<u><u>139,707,888</u></u>	<b><u>141,504,848</u></b>



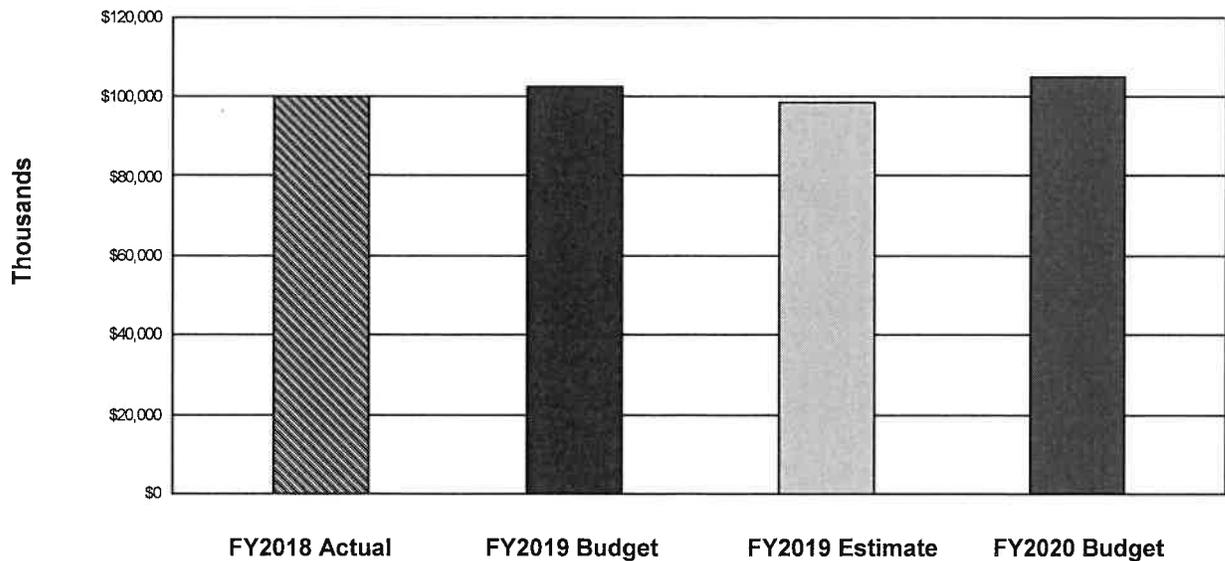
**FISCAL YEAR 2020 BUDGET**

**Business Area Budget Summary**

**Fund Name** : C&E - Facility Operating Fund  
**Business Area** : Convention & Entertainment  
**Fund No. /Bus. Area No.** : 8601 / 4200

		FY2018 Actual	FY2019 Current Budget	FY2019 Estimate	FY2020 Budget
Expenditures	Personnel Services	196,265	249,814	225,105	194,570
	Other Services and Charges	38,586	131,700	88,880	99,900
	Total M & O Expenditures	<u>234,851</u>	<u>381,514</u>	<u>313,985</u>	<u>294,470</u>
	Debt Service & Other Uses	99,802,532	102,148,958	98,495,459	104,809,922
	Total Expenditure	<u>100,037,383</u>	<u>102,530,472</u>	<u>98,809,444</u>	<u>105,104,392</u>
Revenues		97,879,484	100,620,874	97,265,912	100,606,404
Staffing	Full-Time Equivalents - Civilian	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> <li>o The FY2020 revenues have increased slightly due to the return to full operations of the Theater District parking garages. FY2020 will have electronic equipment installed which will reinstate pricing tiers for Contract, Daily and Event parking.</li> <li>o The FY2020 Budget includes the return of inventory of hotel rooms after Hurricane Harvey, as well as the effect of the new Convention Campus which will increase the Hotel Occupancy Tax (HOT).</li> </ul>				

**C&E - Facility Operating Fund  
Convention & Entertainment  
Expenditure Summary**



**FISCAL YEAR 2020 BUDGET**

<b>Division Summary</b>							
<b>Fund Name : C&amp;E - Facility Operating Fund</b>							
<b>Business Area : Convention &amp; Entertainment</b>							
<b>Fund No. /Bus Area No. : 8601 / 4200</b>							
<b>Division Description</b>		<b>FY2018 Actual</b>		<b>FY2019 Estimate</b>		<b>FY2020 Budget</b>	
		<b>FTEs</b>	<b>Costs \$</b>	<b>FTEs</b>	<b>Costs \$</b>	<b>FTEs</b>	<b>Costs \$</b>
<b>C&amp;E - Convention Center Group</b>	<b>420001</b>						
A multi-pupose facility that hosts national conventions, trade shows, consumer shows, corporate meetings and religious meetings.		0.0	26,538,780	0.0	28,019,739	0.0	28,100,413
<b>Theater District Facilities</b>	<b>420002</b>						
The Theater District is home of the Houston Symphony, Society for the Performing Arts, Houston Grand Opera, Houston Ballet and Miller Outdoor Theatre as well as several downtown parks, the Theater District Parking Garage, and the City surface Lots C and H.		0.0	71,083	0.0	74,379	0.0	76,715
<b>C&amp;E - Support Services Group</b>	<b>420005</b>						
Responsible for the administration of the City's Interlocal Agreement with Houston First Corporation (HFC), primarily the pledged hotel occupancy tax (HOT), parking revenues, and debt-related expenses.		0.0	73,427,520	0.0	70,715,326	0.0	76,927,264
<b>Total</b>		<b>0.0</b>	<b>100,037,383</b>	<b>0.0</b>	<b>98,809,444</b>	<b>0.0</b>	<b>105,104,392</b>

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**FISCAL YEAR 2020 BUDGET**

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**Business Area Revenues Summary**

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**Fund Name** : C&E - Facility Operating Fund  
**Business Area** : Convention & Entertainment  
**Fund No./Bus. Area No.** : 8601 / 4200

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<b>Category</b>	<b>FY2018 Actual</b>	<b>FY2019 Current Budget</b>	<b>FY2019 Estimate</b>	<b>FY2020 Budget</b>
Charges for Services	7,883,171	10,979,291	10,584,329	<b>11,409,821</b>
Interest	287,771	350,000	390,000	<b>405,000</b>
Miscellaneous/Other	291,583	291,583	291,583	<b>291,583</b>
Other Tax	89,416,959	89,000,000	86,000,000	<b>88,500,000</b>
<b>Grand Total Revenues</b>	<b><u>97,879,484</u></b>	<b><u>100,620,874</u></b>	<b><u>97,265,912</u></b>	<b><u>100,606,404</u></b>