

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



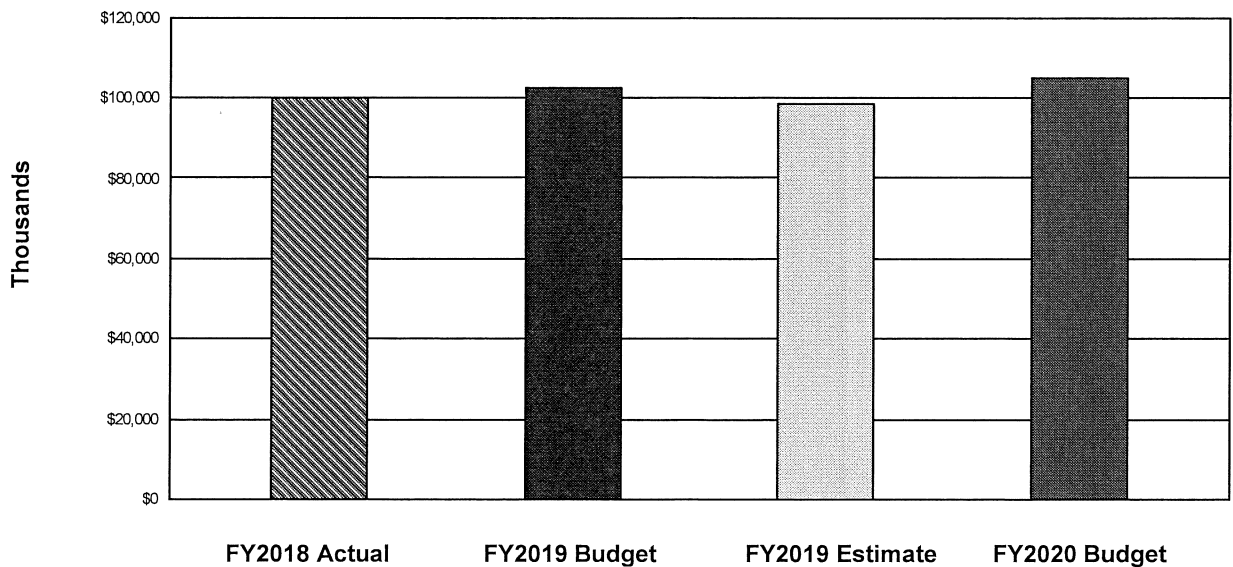
FISCAL YEAR 2020 BUDGET

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	234,851	381,514	313,985	294,470
	Debt Service & Other Uses	99,802,532	102,148,958	98,495,459	104,809,922
	Total Expenditure	100,037,383	102,530,472	98,809,444	105,104,392
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	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	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.				
	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).				

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



FISCAL YEAR 2020 BUDGET

Division Summary							
Fund Name : C&E - Facility Operating Fund							
Business Area : Convention & Entertainment							
Fund No. /Bus Area No. : 8601 / 4200							
Division Description		FY2018 Actual		FY2019 Estimate		FY2020 Budget	
		FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$
C&E - Convention Center Group	420001						
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
Theater District Facilities	420002						
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
C&E - Support Services Group	420005						
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
Total		0.0	100,037,383	0.0	98,809,444	0.0	105,104,392

FISCAL YEAR 2020 BUDGET

Business Area Revenues Summary

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

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