



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 11/19/2023

Houston First Corporation CY24 Budget Approval

Agenda Item#:

Summary:

RECOMMENDATION from Director Convention & Entertainment Facilities Department for approval of **HOUSTON FIRST CORPORATION'S** Calendar Year 2024 Budget

Background:

SPECIFIC EXPLANATION:

As the Destination Marketing Organization for Houston, Houston First Corporation's (HFC) responsibilities involve the development of the destination brand strategy, promoting the city worldwide, driving tourism and convention business, operating numerous facilities, producing events that serve the community, collaborating with commercial and industry partners, and much more.

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.

In 2024, HFC will be focused on creating value and enhancing economic prosperity by promoting the Houston region. The following are HFC's top 2024 priorities:

- Strengthen Houston's Brand Equity
- Foster Greater Synergy as a Destination
- Boost Economic Impact of Leisure Travel to Houston
- Accelerate Booking Pace for 2025-2027 Convention Business
- Develop Aggressive Convention Sales Strategies for Transformed Convention District
- Deliver Superior Convention Client Experiences
- Manage New Conditions Affecting Convention Sales
- Increase Travel Market Share from Mexico
- Seize Emerging International Markets
- Promote Exceptional 360° Visitor Experiences
- Implement Phase 1: Convention District Transformation
- Enhance Destination Appeal at HFC Facilities
- Increase the Number of Houston TV & Film Projects
- Explore Public/Private Partnership Opportunities

In addition to the supporting the day-to-day operations of HFC, the CY 2024 budget includes the following expenditures, paid directly to or on behalf of the City:

- **\$20.844 million** of current hotel occupancy tax revenue to fund the City's arts-related contracts
- **\$1.524 million** lease payment to the City
- **\$470,000** to the City for protocol services
- **\$425,000** to the City for the promotion of business travel and hotel occupancy, as the City determines appropriate
- **\$242,500** to the City for traffic control services within the Central Business District and around Avenida Houston
- Payment on the City's behalf of **\$1.372 million** to Discovery Green, **\$1.1 million** to the Hobby Center for the Performing Arts and **\$450,000** to MATCH

Operational and capital highlights include:

- **\$20.3 million in life safety and operational capital improvements**
- **Headcount of 182, which is slightly up from 2023**

This item was presented at the December 5, 2023, meeting of the Budget & Fiscal Affairs Committee.

Houston First Corporation recommends approval of its calendar year 2024 budget.

DocuSigned by:

Michael Heckman

12/4/2023

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Michael Heckman
President & CEO
Houston First Corporation

Contact Information

Tracey Prince
Sr. Director, Government Relations
Houston First Corporation
713-853-8112
tracey.prince@Houstonfirst.com

Contact Information:

Tracey A. Prince
Sr. Director, Government Relations
Houston First Corporation
tracey.prince@houstonfirst.com
713-853-8112