

AGENDA

HOUSTON FIRST CORPORATION

Sales, Tourism, and Marketing Committee Meeting
November 10, 2021 – 2:30 P.M.
Partnership Tower, 701 Avenida de las Americas, Suite 200
Houston, Texas 77010
HOUSTON FIRST BOARD ROOM

COMMITTEE MEMBERS:

Council Member Robinson (Chair), Bobby Singh (Vice-Chair), Sofia Adrogué, James Batt, Elizabeth Brock, Kim Davis, Jacques D’Rovencourt, Alfred Flores, Pete Ells, Stephanie Haynes, Nicki Keenan, Ryan Martin, David Minckberg, Desrye Morgan, Eric Schmauch, Sharmagne Taylor, Patricia Voss, Gerald Womack

In accordance with the Texas Open Meetings Act, this Agenda is posted for public information, at all times, for at least 72 hours preceding the scheduled time of the meeting on the bulletin board located on the exterior wall of the Houston City Hall building, located at 901 Bagby. The Agenda is also available online at <https://www.houstonfirst.com>.

To reserve time to appear, come to the meeting at least ten minutes prior to the scheduled public session shown on the Agenda.

Any questions regarding this Agenda, or requests for special needs assistance, should be directed to Lisa K. Hargrove, General Counsel at either 713.853.8965 or Lisa.Hargrove@houstonfirst.com

- I. Call to Order**
- II. Public Comments**
- III. Minutes – April 8, 2021**
- IV. Committee Business**
 - A. Consideration and possible recommendation of the 2022 Sales, Tourism, Marketing, Film, and Partnerships & Event Development Budgets.
- V. Adjourn**

III. Minutes – April 8, 2021

MINUTES

HOUSTON FIRST CORPORATION

SALES, TOURISM, AND MARKETING COMMITTEE

April 8, 2021 – 1:30 P.M.

Live Video and Audio Conference Meeting

The Sales, Tourism, and Marketing Committee (“Committee”) of Houston First Corporation (the “Corporation” or “HFC”), a Texas local corporation created and organized by the City of Houston as a local government corporation pursuant to TEX. TRANSP. CODE ANN. §431.101 et seq. and TEX LOC. GOV'T. CODE ANN. §394.001 et seq., posted a meeting via live video and audio conference on Thursday, April 8, 2021 commencing at 1:30 p.m.

In accordance with the modified Texas Open Meetings Act provisions announced by Texas Governor Greg Abbott on March 16, 2020, the Agenda was posted for public information, at all times, for at least 72 hours preceding the scheduled meeting time online at <https://www.houstonfirst.com>.

The following Committee Members were present virtually: Bobby Singh (Vice-Chair), Sofia Adrogué, James Batt, Kim Davis, Jacques D’Rovencourt, Stephanie Haynes, Nicki Keenan, Ryan Martin, Desrye Morgan, Eric Schmauch, Sharmagne Taylor, and Gerald Womack.

1. The Committee Vice-Chair called the meeting to order at 1:36 p.m. and a quorum was established.
2. **Public Comments.** None.
3. **Review and approval of minutes from prior meeting.** Following a motion duly seconded, the Sales, Tourism, and Marketing Committee meeting minutes of November 9, 2020 were approved as presented.

Council Member David Robinson was not present for the vote, but did appear later in the meeting.

4. **Presentations, Reports and Updates.**
 - A. **Update on 2021 Strategic Plan and Covid-19 Response.** HFC Vice President of Market Strategy, Cindy Decker, gave an update on market trends. According to Smith Travel, in comparison to the top twenty-five markets for condensed numbers of hotels in the U.S market, Houston is now leading the top 25 markets in the U.S, whereas on average Houston is ranked 21. Ms. Decker further explained that Houston began to see a lift the week of February 14th during the winter storm and the re-opening of the State of Texas. In April 2020, Houston had an average occupancy of 28% and has continued to improve to 40% occupancy by the summer. Houston hotels have also exceeded the forecast for occupancy levels of 48% by year-end to 66%, and some of

the sub-markets, including the Galleria, have reached over 80% occupancy although hotel rates remain low.

Nicki Keenan discussed the record-breaking numbers for hotels in Galveston during Spring Break and asked if those figures were included in the data presented for the greater Houston market. Ms. Decker stated that Galveston and Brazoria County are not included in the data for Smith Travel.

Ms. Keenan also asked what major U.S. cities are included in the top 25 list. Ms. Decker stated that Houston is actually ranked top five in hotel occupancy. She further explained that the lowest demand in the Houston market is the downtown market that has gone from single digit occupancy levels to approximately 32% due to an increase in leisure demand. Ms. Decker then shared information on the top 25 U.S. markets by comparing the data from 2019 to 2021.

Lastly, Ms. Decker shared similar trends in RevPar in the Houston market similar to that of occupancy. Houston has a healthy supply of hotel inventory and continues to outgrow the U.S. and top twenty-five markets in the U.S.

Bobby Singh then asked for any predictions on hotel trends in the next quarter based on the data presented. Ms. Decker provided further information.

HFC Senior Vice President of Sales and Client Services, John Solis, provided an update on events. Mr. Solis stated that over 31 meetings will take place in the second half of the year, including a record number of city-wide events starting in July 2021 with Shriner's International. In August, both OTC and NAPE will meet and in the month of September Houston will host three city-wide events, including the NRA that will meet over the Labor Day holiday. Mr. Solis stated that the remainder of the year will be full, ending with three city-wide events in the month of December and the World Petroleum Congress. Mr. Solis also stated that a number of groups have expressed interest in hosting events in Houston due to COVID-19 restrictions that remain in place in other cities. Mr. Solis then discussed the road to recovery and priorities of the Client Services team and working collaboratively with meeting planners and stakeholders. He stated that the Sales team has to build for the future and is seeing a huge increase in lead volume and continues to bring members of the Sales team back to HFC. Mr. Solis stated that HFC is taking a very aggressive approach to prospecting over the next sixty days and has created a profile of key accounts that the Sales team will target.

Mr. Solis stated that there is a lot of demand for short-term business, so 40% of the Sales team is dedicated to short-term business, but starting in June the Sales team will re-focus its attention on larger programs and hopes to be fully staffed.

Council Member David Robinson stated as things ramp up it is important that HFC has the appropriate resources. He stated that he is sympathetic to all of the resources, both financial and human, that HFC has to support getting back through the balance of the year and into 2022. He then introduced HFC Senior Vice President of Tourism & Industry Relations, Jorge Franz, to provide a brief tourism update.

Mr. Franz discussed the tremendous increase in air service to Mexico with over half of all international travel into Houston coming from Mexico. Mr. Franz stated that long-haul travel to Europe and Asia will take much longer to recover, but the recovery in the Mexico market is happening right now with all six major airlines offering flights into Mexico. Ticket sales for the Houston Experience Marketplace continue to increase and are now trending higher than the sales numbers for 2019 with almost \$11,000 in sales in April of 2020 due to changes on the website and working directly with third party travel companies to increase distribution. Management is also developing new experiences that can only be purchased on the marketplace website. Tourism has also redirected its marketing efforts toward the U.S. Hispanic market and the promotion of staycations. Mr. Franz then concluded his update by discussing the new structure of his department and the inclusion of the Houston Film Commission. He then introduced the Executive Director of the Film Commission, Alfred Cervantes, to provide a brief report.

Sofia Adroguè offered a suggestion for another slogan for the U.S. Hispanic marketing campaign.

Alfred Cervantes stated that he is the new Executive Director of the Houston Film Commission stepping in for Rick Ferguson who has retired and will truly be missed. He then explained that the Houston Film Commission is seeing similar trends from other departments with an increase in productions. He then discussed the services provided by the Houston Film Commission such as location scouting assistance. Mr. Cervantes then discussed some of the productions filmed in Houston and noted the increase in productions in the month of March. He also discussed the independent film, "In Between Girl" by Mei Makino that was shot in Galveston and is now getting a lot of positive reviews. In conclusion, Mr. Cervantes provided a brief biography of himself and his experience working with the Film Commission for members of the Committee.

Desrye Morgan then asked about the television show "Ready to Love" and if the data presented reflects when productions are filmed or aired. Mr. Cervantes then clarified how the data is reported.

Committee Members then congratulated Mr. Cervantes on his new role as Executive Director.

Bobby Singh stated that he was unable to properly recognize retired HFC staff due to social distancing and wanted to publicly thank Mr. Rick Ferguson for his service to the organization and to convey his sincere gratitude to all employees no longer with HFC.

Gerald Womack echoed the sentiments of Committee Members. He stated that he looks forward to working with Mr. Cervantes and he should take note of the activity in Atlanta because the removal of many film productions in Georgia could be a great opportunity for Houston. He also stated that it is important to continue to advocate for

film incentives in the Texas Legislature, so please inform Committee members of any further assistance as needed.

Council Member Robinson asked how to best contact Mr. Cervantes and direct potential leads for productions to the Houston Film Commission. Mr. Cervantes stated that his door is always open and he is willing to help anyone interested in assistance.

Mr. Womack also congratulated Mr. Franz on his new duties and stated that he looks forward to the collaboration between the departments.

Council Member Robinson also recognized Maureen Haley before introducing HFC Chief Marketing Officer, Holly Clapham, to provide a brief marketing report.

Ms. Clapham began her report by discussing the hotel relief strategy of the Marketing team and her work with Cindy Decker to promote leisure travel through the use of artificial intelligence. She then shared the first quarter leisure ROI report in more detail. She also clarified that the data presented does not include editorial or earned-media efforts. Ms. Clapham then stated that Marketing will launch the “Do Something New Campaign” in May #ExploreHOU to transition back to an editorial and brand focus and shared several of the advertisements. She then discussed the CRM Meetings market and strategy for client targeting. Houston continues to see an upward trend in meetings as does the meetings market as a whole. Ms. Clapham then discussed the importance of advertising as it relates to bid proposals and the direct relationship between Marketing and the Sales team. Ms. Clapham then informed the Committee of the launch of H-Town Bites in May to provide resilience for the culinary community and amplify one of the destinations strongest brand attributes. Lastly, Ms. Clapham discussed the relationship between HFC and its partners such as KHOU and the University of Houston to create a great event on Avenida Plaza with the UH Watch Parties. She also discussed a new campaign called “The Land of Milk and Honey” in partnership with Instagram that will highlight the untold stories of immigrant communities.

HFC Acting President & CEO, Michael Heckman, made final remarks.

5. **Adjournment.** The meeting was adjourned at 2:38 p.m.

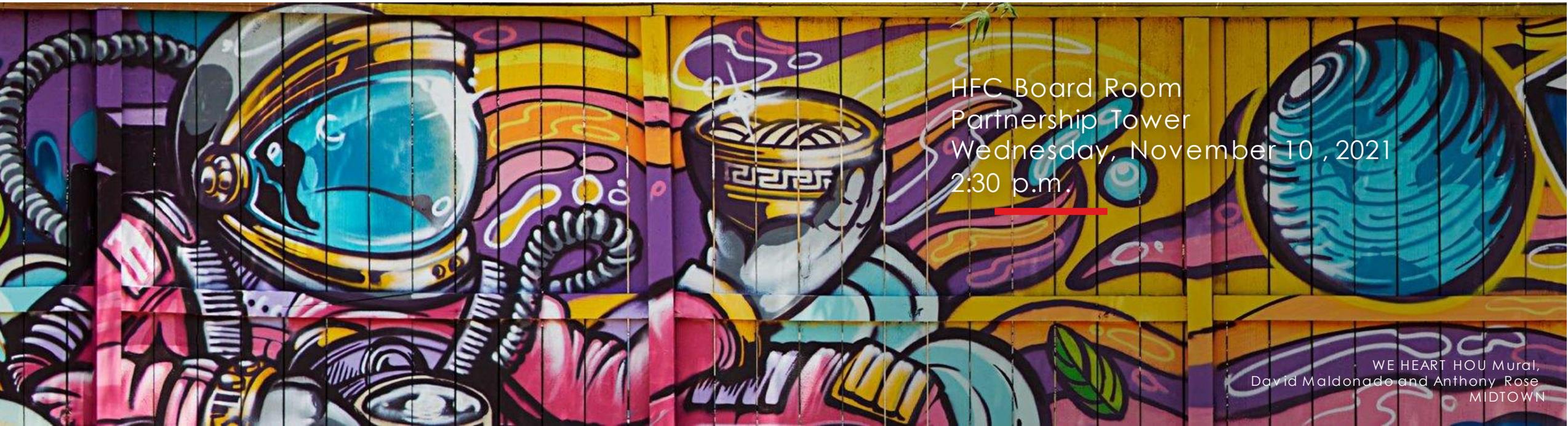
IV. (A) Consideration and possible recommendation of the 2022 Sales, Tourism, Marketing, Film, and Partnerships & Event Development Budgets.

Consideration and possible recommendation of the 2022 Sales, Tourism, Marketing, Film, and Partnerships & Event Development Budgets.

RESOLVED, that the Sales, Tourism, Marketing, and Film Committee of Houston First Corporation hereby recommends the 2022 Sales, Tourism, Marketing, Film, and Partnerships & Event Development Budgets.

HOUSTON FIRST CORPORATION

SALES, TOURISM, AND MARKETING COMMITTEE MEETING



HFC Board Room
Partnership Tower
Wednesday, November 10, 2021
2:30 p.m.

PUBLIC COMMENTS

Anyone who wishes to address the committee during the Public Comment session may do so by signing up on the Public Comment page at the front of the room.

**HFC SALES, TOURISM, AND MARKETING
COMMITTEE MEETING**

November 10, 2021

Houstonfirst

MINUTES

April 8, 2021

**HFC SALES, TOURISM, AND MARKETING
COMMITTEE MEETING**

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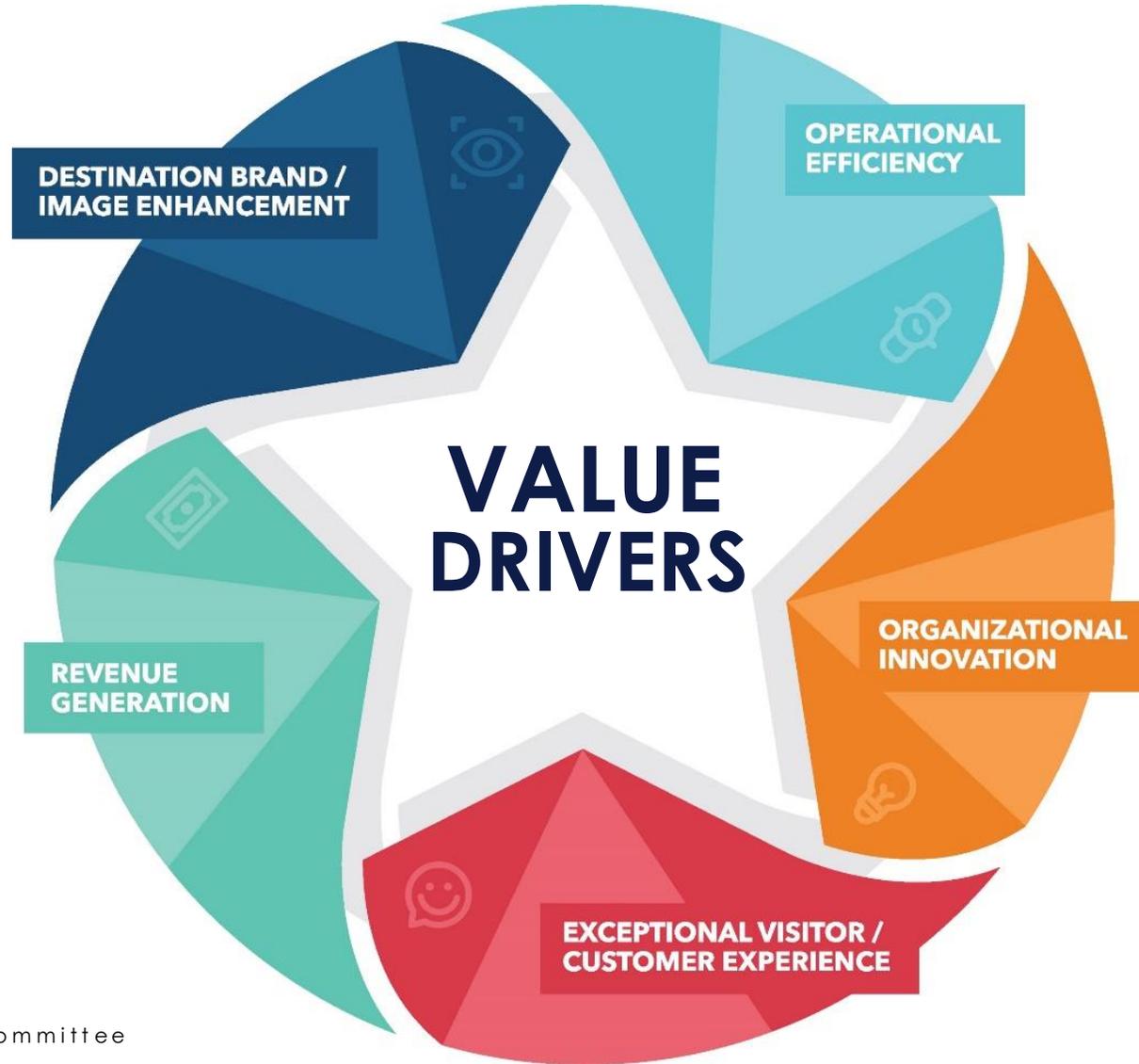
COMMITTEE BUSINESS

- A. Consideration and possible recommendation of the 2022 Sales, Tourism, Marketing, Film, and Partnerships & Event Development budgets..

**HFC SALES, TOURISM, AND MARKETING
COMMITTEE MEETING**

November 10, 2021

CORE OF VALUE CREATION



CY 2021 BUDGET VERSUS FORECAST

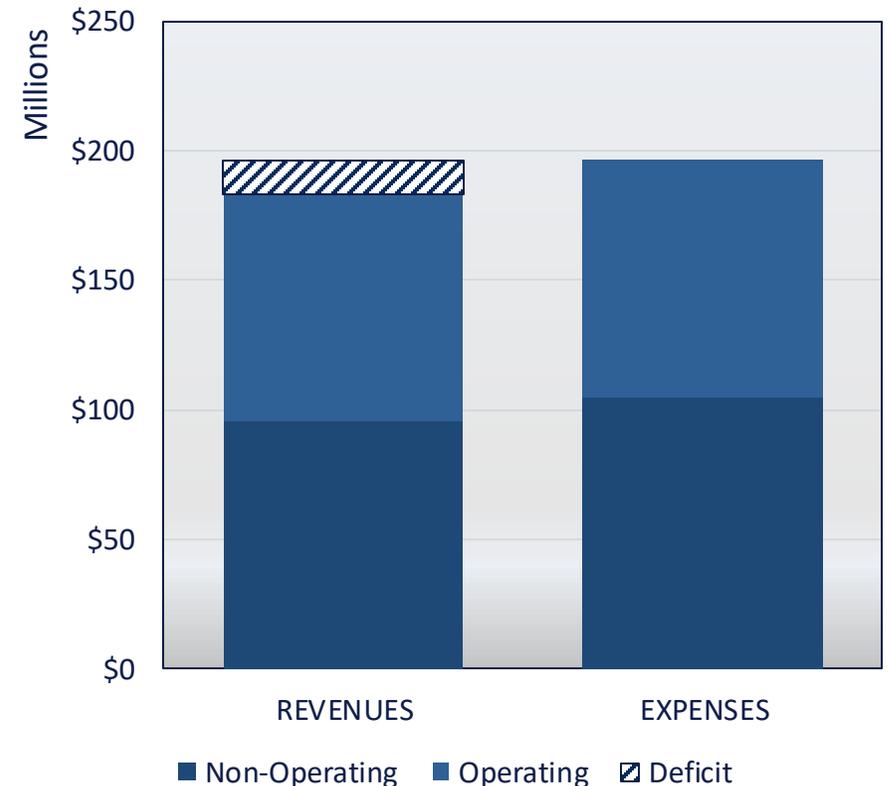
(\$ in millions)

	2021 Budget	2021 Forecast	CHANGE
<i>Operating Revenue</i>	\$40.4	\$45.5	\$5.1
<i>Non-Operating Revenue</i>	68.6	67.6	(1.0)
TOTAL REVENUE	\$109.0	\$113.1	\$4.1
<i>Operating Expense</i>	\$66.9	\$55.7	(\$11.2)
<i>Non-Operating Expense</i>	97.4	84.9	(12.5)
TOTAL EXPENSE	\$164.3	\$140.6	(\$23.7)
REVENUE IN EXCESS OF EXPENSE	(\$55.3)	(\$27.5)	\$27.9

PROPOSED CY 2022 BUDGET

RETURN TO “NORMAL”

- **Total Revenues for CY 2022: \$183.2 M**
- **Total Expenses for CY 2022: \$196.5 M**
- Assumptions:
 - COVID variants do not deter return to in-person meetings
 - Business travel and hotel stays return
 - Downtown office workers return in a material way to in-person work downtown and resume parking in TD garage



PROPOSED CY 2022 BUDGET HIGHLIGHTS

(\$ in millions)

	2021 Forecast Budget	2022 Proposed Budget	CHANGE
<i>Operating Revenue</i>	\$45.5	\$88.0	\$42.5
<i>Non-Operating Revenue</i>	67.6	95.2	27.6
TOTAL REVENUE	\$113.1	\$183.2	\$70.1
<i>Operating Expense</i>	\$55.7	\$92.0	\$36.3
<i>Non-Operating Expense*</i>	84.9	104.5	19.6
TOTAL EXPENSE	\$140.6	\$196.5	\$55.9
REVENUE IN EXCESS OF EXPENSE	(\$27.5)	(\$13.3)	\$14.2

*Includes \$66.5 M in debt service, \$15 M to HAA, \$3.4 M contributions to City and other stakeholders.

2022 SALES & CLIENT SERVICES PRIORITIES

- Host 30 citywide conventions – promote attendance, maximize stakeholder awareness and support attendee experience
- Invite targeted clients for custom site visits over the record number of citywide conventions in 2022
- Heighten our communication with industry stakeholders, customize Client Service promotional trips, incorporate Client Advisory Board suggestions/insights to better position ourselves for delivering exceptional service to both meeting professionals and visiting conference attendees
- Focus on short-term business opportunities – 2022 is poised to deliver a high volume of small to medium size meetings
- Build our pipeline – as we continue through this recovery phase it will be imperative for us to strengthen our sales lead funnel, strengthen our client relationships, and aggressively pursue business

2022 SALES & CLIENT SERVICES PRIORITIES

- Create new meeting messaging – COVID has taught us the value of personal interaction, use people in place of venues to tell our message about how great it is to meet in Houston
- Maximize third party affiliations to increase short-term business opportunities by building associate relationships, sponsorships, advertising, and conference attendance
- Aggressively prospect by making face-to-face sales calls, hosting client in-market events, attending trade shows/conferences, and direct mail efforts
- Incorporate our culinary/cultural strengths into our messaging and client activations. Incorporate local art into client amenities, booth themes, and during client visitations
- Host client “watch parties” in DC/Chicago around the 2022 Top Chef television series filmed in and featuring Houston

2022 SALES & CLIENT SERVICES BUDGET

	CY19 Actuals	CY21 Budget	CY21 Forecast	CY22 Budget	2021 Proj. vs 2022 Budget Variance
Operating Revenues	\$ 236,258	\$ 20,000	\$ 246,854	\$ 1,720,000	\$ 1,473,146
<i>Personnel</i>	\$ 4,027,489	\$ 4,125,058	\$ 2,935,595	\$ 4,393,365	\$ (1,457,770)
<i>Advertising & Promotion</i>		\$ 5,000	\$ -	\$ -	\$ -
<i>Travel, Promotion, and Events</i>	\$ 3,532,514	\$ 948,342	\$ (569,657)	\$ 3,622,779	\$ (4,192,436)
<i>Lease Expense</i>	\$ 3,639	\$ 5,000	\$ 3,108	\$ 5,000	\$ (1,892)
<i>Consulting</i>	\$ 214,702	\$ 48,000	\$ 21,000	\$ 130,000	\$ (109,000)
<i>Supplies</i>	\$ 13,151	\$ 2,665	\$ 2,276	\$ 6,150	\$ (3,874)
<i>Fees & Services</i>	\$ 10,464	\$ 4,000	\$ 1,116	\$ 14,100	\$ (12,984)
<i>Other</i>	\$ 13,436	\$ 14,000	\$ 10,769	\$ 24,500	\$ (13,731)
Operating Expenses	\$ 4,339,295	\$ 5,152,065	\$ 2,404,208	\$ 8,195,894	\$ (5,791,686)
Net Income From Operations	\$ (4,103,036)	\$ (5,132,065)	\$ (2,157,354)	\$ (6,475,894)	\$ (4,318,540)
<i>Sponsorship Expense</i>	\$ 247,053	\$ 205,500	\$ 143,839	\$ 217,350	\$ (73,511)
<i>Non-COH Contractual Obligations</i>		\$ 100,500	\$ 100,500	\$ 236,625	\$ (136,125)
Non Operating Expense	\$ 247,053	\$ 306,000	\$ 244,339	\$ 453,975	\$ (209,637)
Total Revenue less Expenses	\$ (4,350,090)	\$ (5,438,065)	\$ (2,401,693)	\$ (6,929,869)	\$ (4,528,177)
Total Revenues	\$ 236,258	\$ 20,000	\$ 246,854	\$ 1,720,000	\$ 1,473,146
Total Expenses	\$ 4,586,348	\$ 5,458,065	\$ 2,648,547	\$ 8,649,869	\$ (6,001,322)
Net Profit/(Loss)	\$ (4,350,090)	\$ (5,438,065)	\$ (2,401,693)	\$ (6,929,869)	\$ (4,528,177)

2022 TOURISM & INDUSTRY RELATIONS STRATEGIES

Tourism

- Create experiences through the Houston Marketplace for individual and group travelers that support Houston's brand as a culinary and cultural destination
- Create leisure group travel operator
- Apply for and win an EDA grant to develop a Juneteenth leisure product with Galveston
- Create new themed visits for individual travelers
- Build a group leisure product that is enticing to audiences that we speak to – this includes culinary, family reunions, and student travel.
- Refocus the leisure product development efforts to focus on generating sales that increase HOT and profit to HFC.
- Grow visitation from Mexico by advertising direct to consumers with leading producers
- Develop and execute a plan for a rapid and sustained recovery from Europe and Asia by Q3.

2022 TOURISM & INDUSTRY RELATIONS STRATEGIES

Film

- Bring back Direct Production Expenditures and Economic Impact to at least 80% of 2019 levels
- Work with the Mayor's Office of Cultural Affairs (MOCA) to establish a Houston Music Directory database
- Assist in pinpointing a viable warehouse property as a potential private/public soundstage facility
- Support efforts to increase funding for the Texas Moving Image Industry Incentive Program (TMIIP)
- Use Houston Film Commission social media accounts to promote films/TV/media that were made in Houston
- Support the Houston First Marketing Department in developing the Houston brand as a film/TV/media production destination

2022 TOURISM & INDUSTRY RELATIONS STRATEGIES

Film (cont'd)

- Increase film festival partnerships/sponsorships for the opportunity to promote the greater Houston area
- Host **proactive**, in-person familiarization trips for producers/LMGI Members to entice them to film in Houston
- Reshoot and list all Houston First and City of Houston venues as potential filming locations

Event Services

- Collaborate with and leverage internal Houston First event associated departments to reduce outsourcing costs and deliver outstanding, first-class experiences
- Increase sales prospects through outstanding, first-class event experiences

2022 TOURISM & INDUSTRY RELATIONS BUDGET

	CY19 Actuals	CY21 Budget	CY21 Forecast	CY22 Budget	2021 Proj. vs 2022 Budget Variance
Operating Revenues	\$ 56,453	\$ 300,000	\$ 32,451	\$ 412,500	\$ 380,049
<i>Personnel</i>	\$ 2,562,262	\$ 1,563,144	\$ 1,333,169	\$ 1,513,908	\$ (180,739)
<i>Advertising & Promotion</i>	\$ 1,364,219	\$ 650,000	\$ 610,422	\$ 542,500	\$ 67,922
<i>Travel, Promotion, and Events</i>	\$ 855,763	\$ 349,960	\$ 484,031	\$ 614,243	\$ (130,212)
<i>Consulting</i>	\$ 910,900	\$ 82,000	\$ 91,150	\$ 326,200	\$ (235,050)
<i>Supplies</i>	\$ 8,610	\$ 4,069	\$ 3,553	\$ 13,510	\$ (9,957)
<i>Fees & Services</i>	\$ 14,240	\$ 5,500	\$ 4,500	\$ 10,500	\$ (6,000)
<i>Other</i>	\$ 64,004	\$ 17,250	\$ 16,186	\$ 41,700	\$ (25,514)
Operating Expenses	\$ 5,779,999	\$ 2,671,923	\$ 2,543,012	\$ 3,062,561	\$ (519,549)
Net Income From Operations	\$ (5,723,546)	\$ (2,371,923)	\$ (2,510,561)	\$ (2,650,061)	\$ (139,500)
<i>Contributions</i>		\$ 200,000	\$ 200,000	\$ -	\$ (200,000)
Non Operating Revenue		\$ 200,000	\$ 200,000	\$ -	\$ (200,000)
<i>Sponsorship Expense</i>	\$ 187,757	\$ 17,000	\$ 5,900	\$ 86,600	\$ (80,700)
<i>Programming & Events</i>	\$ 167,955	\$ 85,000	\$ 85,000	\$ 50,000	\$ 35,000
Non Operating Expense	\$ 187,757	\$ 102,000	\$ 90,900	\$ 136,600	\$ (45,700)
Total Revenue less Expenses	\$ (5,911,303)	\$ (2,473,923)	\$ (2,401,461)	\$ (2,786,661)	\$ (385,200)
Total Revenues	\$ 56,453	\$ 500,000	\$ 232,451	\$ 412,500	\$ 180,049
Total Expenses	\$ 5,967,756	\$ 2,773,923	\$ 2,633,912	\$ 3,199,161	\$ (565,249)
Net Profit/(Loss)	\$ (5,911,303)	\$ (2,273,923)	\$ (2,401,461)	\$ (2,786,661)	\$ (385,200)

2022 MARKETING PRIORITIES

Continue to Strengthen Houston's General Consumer Market

- Build upon messaging momentum and establish the destination as the undisputed cultural capital
- Regain lost market share in Mexico and position Houston as the top Texas city for leisure travel to the U.S.
 - Mexico City, Monterrey and Guadalajara:
 - Develop targeted marketing campaigns with tracking pixels to measure ROI
 - Highlight promotional pillars (culinary, arts & culture, shopping, sports & entertainment)

Continue to Strengthen Houston's Meetings Market

- Generate awareness in the meetings market via a mix of digital retargeting and high visibility print placements.
 - Balance a mix of traditional and non-traditional mediums including: print, digital, retargeting, direct to consumer, and radio
 - Continue to develop responsive, customized bids
 - Leverage earned media and sponsored content

2022 MARKETING PRIORITIES

Deploy a Dedicated Retail Conversion Strategy

- Deploy campaigns that have a direct economic impact for hotels and attractions. Digital and Social Display will focus on audience retargeting driven by Artificial Intelligence
 - Hotels
 - § Hotels within the loop will benefit from Digital Display and Social Display efforts
 - § Hotels outside of the loop will benefit from our partnership with Online Travel Agencies (OTA)
 - Houston Marketplace
 - § Review and optimize the current sales funnel
 - § Ensure that the products we are promoting reflect our customers' needs and wants

Produce high-quality content that generates engagement and growth

- Enhance the content development process by further integrating the content team which includes:
 - Freelance writers, in-house social media, influencers, public relations, corporate and internal communications, facilities, programming and web

2022 MARKETING PRIORITIES

Create, maintain and protect Houston's reputation, enhance its prestige, and present a favorable image

- Continue to generate top of mind awareness
 - Proactive pitching inspires media to think Houston and produces more volume (**Quantity**)
 - Responsive media assists lead to strong media relations
 - Hosted media tend to produce multiple stories with more destination value (**Quality**)

Create, maintain and protect Houston First Corporation's reputation, enhance its prestige, and present a favorable image

- Proactive pitching introduces and inspires media to think about Houston First's mission and value – tying action to impact

2022 MARKETING BUDGET

	CY19 Actuals	CY21 Budget	CY21 Forecast	CY22 Budget	2021 Proj. vs 2022 Budget Variance
<i>Miscellaneous</i>	\$ 88,501	\$ 25,000	\$ 25,000	\$ 20,000	\$ (5,000)
Operating Revenues	\$ 88,501	\$ 25,000	\$ 25,000	\$ 20,000	\$ (5,000)
<i>Personnel</i>	\$ 1,895,537	\$ 1,739,172	\$ 1,372,349	\$ 2,129,909	\$ (757,560)
<i>Advertising & Promotion</i>	\$ 6,171,158	\$ 2,640,000	\$ 2,586,376	\$ 6,764,747	\$ (4,178,371)
<i>Travel, Promotion, and Events</i>	\$ 151,443	\$ 74,820	\$ 1,276,127	\$ 340,800	\$ 935,327
<i>Consulting</i>	\$ 304,458	\$ 200,000	\$ 368,000	\$ 200,000	\$ 168,000
<i>Supplies</i>	\$ 11,693	\$ 4,682	\$ 10,003	\$ 22,595	\$ (12,592)
<i>Fees & Services</i>	\$ 6,527			\$ 41,000	\$ (41,000)
<i>Other</i>	\$ 8,949	\$ 8,750	\$ 8,750	\$ 18,750	\$ (10,000)
Operating Expenses	\$ 8,549,766	\$ 4,667,424	\$ 5,621,606	\$ 9,517,801	\$ (3,896,195)
Net Income From Operations	\$ (8,461,265)	\$ (4,642,424)	\$ (5,596,606)	\$ (9,497,801)	\$ 3,901,195
Total Revenue less Expenses	\$ (8,493,265)	\$ (4,642,424)	\$ (5,596,606)	\$ (9,497,801)	\$ (3,901,195)
Total Revenues	\$ 88,501	\$ 25,000	\$ 25,000	\$ 20,000	\$ (5,000)
Total Expenses	\$ 8,581,766	\$ 4,667,424	\$ 5,621,606	\$ 9,517,801	\$ (3,896,195)
Net Profit/(Loss)	\$ (8,493,265)	\$ (4,642,424)	\$ (5,596,606)	\$ (9,497,801)	\$ (3,901,195)

2022 PARTERSHIPS & EVENT DEVELOPMENT PRIORITIES

- Launch new, annual events:
 - Current concepts include: Juneteenth, Energy Transition, Wine & Spirits, Innovation, Music + Art, Holiday (December)
 - We will focus on deal flow by assessing and prioritizing events based on several success factors that include extending the Houston brand, market alignment and opportunities, as well as potential attendance
- Maximize opportunities generated from managed events
 - Elevate existing managed event(s) by focusing on attendee experience and operational excellence
 - Extend the Houston brand through integrated, organic and paid promotions as well as earned media
 - Generate revenue through attendee and sponsorship sales, as well as ancillary revenue streams like HOT, parking and other GRB services

2022 PARTERSHIPS & EVENT DEVELOPMENT PRIORITIES

- Pursue revenue generation through the commercialization of assets
 - Prospect, curate, and secure sponsors with equitable brand alignment for events, assets, and art installations
 - Work with agencies on OOH signage, activations, and sponsorship opportunities
 - Maximize online advertising
- Strengthen relationships with prospects, agencies, and sponsors through ongoing communication and improved processes as part of transition to new team
 - Regularly share information like upcoming events at GRB, and throughout the campus, that shows increased traffic potential
 - Proactively share intel with digital ad sales team to help improve sales of our online assets
 - Develop a “dashboard” for communicating sponsor deliverable status with internal resources and external stakeholders

2022 PARTNERSHIPS & EVENT DEVELOPMENT BUDGET

	CY19 Actual	CY21 Budget	CY21 Forecast	CY22 Budget	2021 Proj. vs 2022 Budget Variance
Operating Revenues	\$ -	\$ 2,000,000	\$ 1,362,477	\$ 823,350	\$ (539,127)
<i>Personnel</i>	\$ 996,698	\$ 1,146,048	\$ 954,218	\$ 1,392,240	\$ (438,022)
<i>Advertising & Promotion</i>	\$ 343		\$ 6,700	\$ 40,000	\$ (33,300)
<i>Travel, Promotion, and Events</i>	\$ 116,279	\$ 110,880	\$ 55,496	\$ 136,006	\$ (80,510)
<i>Consulting</i>	\$ 197,835	\$ 322,000	\$ 107,000	\$ 80,000	\$ 27,000
<i>Supplies</i>	\$ 5,166	\$ 1,500	\$ 1,486	\$ 3,500	\$ (2,014)
<i>Fees & Services</i>	\$ 1,605	\$ 750	\$ 26		\$ 26
<i>Computer Services</i>	\$ 144				\$ -
<i>Other</i>	\$ 1,506	\$ 3,500	\$ 1,500	\$ 6,000	\$ (4,500)
Operating Expenses	\$ 1,319,576	\$ 1,584,678	\$ 1,126,425	\$ 1,657,746	\$ (531,321)
Net Income From Operations	\$ (1,319,576)	\$ 415,322	\$ 236,052	\$ (834,396)	\$ (1,070,448)
<i>Sponsorship Expense</i>	\$ 486,500	\$ 300,000	\$ 287,500	\$ 700,000	\$ (412,500)
Non Operating Expense	\$ 486,500	\$ 300,000	\$ 287,500	\$ 700,000	\$ (412,500)
Total Revenue less Expenses	\$ (1,806,076)	\$ 115,322	\$ (51,448)	\$ (1,534,396)	\$ (1,482,948)
Total Revenues	\$ -	\$ 2,000,000	\$ 1,362,477	\$ 823,350	\$ (539,127)
Total Expenses	\$ 1,806,076	\$ 1,884,678	\$ 1,413,925	\$ 2,357,746	\$ (943,821)
Net Profit/(Loss)	\$ (1,806,076)	\$ 115,322	\$ (51,448)	\$ (1,534,396)	\$ (1,482,948)

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