

# AGENDA

## HOUSTON FIRST CORPORATION

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**Sales, Tourism, and Marketing Committee Meeting**  
**November 2, 2023 – 10:00 A.M.**  
**Partnership Tower, 701 Avenida de las Americas, Suite 200**  
**Houston, Texas 77010**  
**HOUSTON FIRST BOARD ROOM**

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**COMMITTEE MEMBERS:**

Bobby Singh (Chair), Nicki Keenan (Vice-Chair), Sofia Adrogué, James Batt, Meg Booth, Connie Cochran, Kim Davis, Stephanie Haynes, Ryan Martin, Eric Schmauch, Jackie Wallace, 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](mailto:Lisa.Hargrove@houstonfirst.com)*

- I. Call to Order**
- II. Public Comments**
- III. Minutes – September 12, 2023**
- IV. Committee Business**
  - A. Consideration and possible recommendation of the 2024 Sales, Tourism, Marketing, and Film Budgets.
- V. Adjourn**

**III. Minutes – September 12, 2023**

# MINUTES

## HOUSTON FIRST CORPORATION

**Sales, Tourism, and Marketing Committee Meeting  
September 12, 2023 – 10:00 A.M.  
Partnership Tower, 701 Avenida de las Americas, Suite 200  
Houston, Texas 77010  
HOUSTON FIRST BOARD ROOM**

*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., held a meeting at Partnership Tower, 701 Avenida de las Americas, Suite 200, Houston, Harris County, Texas 77010, on Tuesday, September 12, 2023, commencing at 10:00 a.m.*

*Written notice of the meeting, including the date, hour, place, and agenda for the meeting, was posted in accordance with the Texas Open Meetings Act.*

*The following Committee Members participated in the meeting: Bobby Singh (Chair), Sofia Adrogué, James Batt, Meg Booth, Connie Cochran, Stephanie Haynes, and Gerald Womack.*

- I. **Call to Order.** Committee Chairman Bobby Singh called the meeting to order at 10:03 a.m. with an established quorum.
- II. **Public Comments.** None
- III. **Review and approval of minutes from prior meetings.** Following a motion duly seconded, the June 6, 2023, minutes were approved as presented.
- IV. **Presentations, Reports, and Updates**
  - A. **Houston First President & CEO’s Report.**

Michael Heckman, President and CEO, reported that HFC held a forecasting meeting, which included representatives from the University of Houston and Tourism and Economics, to discuss the annual hotel occupancy tax (“HOT”) collections. According to Mr. Heckman, HOT is exceeding its 2023 budget, and HFC anticipated further growth through 2024. He stated that HFC aimed to compete for leisure travel, meetings, and conventions of all sizes and to maintain unified branding. According to Mr. Heckman, hybrid meetings were becoming obsolete, and he emphasized how people preferred to meet in person.

Mr. Heckman explained that the convention industry was healthy, HFC's budget remained strong, and HFC projected that its business would grow in 2024. He then reminded the Committee that the passage of Senate Bill 1057 would provide an extraordinary amount of funding to reimagine the convention district.

## B. Marketing, Sales & Tourism Report.

Nathan Tollett, Vice President of Citywide Convention Sales, reported that Texas travel expenditures were trending positively, up 4.3% from 2019 compared to the entire United States, up 2.3%.

Mr. Tollet explained that air passenger travel was recovering, with an index of 114 in June 2023 compared to 107 in January 2020. He noted that, according to the U.S. Travel Association, visas were lagging at 200 days for processing.

According to Mr. Tollet, Houston's March 2023 room revenue was Houston's highest on record due to CERAweek's energy conference, the Final Four, and the Taylor Swift concert. He also described that occupancy was inconsistent with 2019 due to a 4.6% supply increase and because two large events occurred in 2019.

Mr. Tollett reported that Houston ranked fifth in the Central Business Downtown Market regarding overall recovery and ranked sixth in positive variance in RevPar recovery compared to 2019. He added the average daily rate, currently \$214 for downtown Houston year-to-date, drove the RevPar.

John Solis, Senior Vice President of Sales & Client Services, reported that definite future meeting bookings increased by 43% in 2023 compared to 2019; however, room nights decreased by 26% in 2023 compared to 2019 due to fewer block bookings. He also reported that meeting lead production increased by 23% in 2023 compared to 2019, with room nights rising by 13% in 2023 compared to 2019. He added that site visits decreased by 42% in 2023 compared to 2019 and noted that 2023 was noticeably better than 2022.

Mr. Solis remarked that definite bookings in 2023 were at 75% compared to 2019; meetings were at 350 compared to 244 in 2019, and room nights were at 224,000 compared to 301,000 in 2019, which he attributed to smaller gatherings. Mr. Solis explained that the makeup of these definite bookings was 50% corporate, 26% association, 14% SMERF, 5% international, 4% sports, and 1% Texas State, with many events having a twelve-month booking window.

Mr. Solis reported on definite team production. He stated that HFC identified each domestic meeting by the number of peak room nights, for example, 10-999 (single hotel), 1,000 – 1,499 (two hotels), 1,500 or more (five to eight hotels), and International. Mr. Solis stated that 90% of the 315 definite bookings fell within the 10-999 peak room nights.

According to Mr. Solis, tentative production included businesses with demonstrated interest in Houston. He indicated there were 1,388 potential meetings with 2,332,643 room nights in 2023 compared to 1,125 meetings and 2,069,557 room nights. He highlighted that 85% percent of tentative production fell within the 10-999 peak room nights. Mr. Solis mentioned that four key categories were interested in signing contracts by the end of 2023 for future meetings in Houston: seven corporations, seven associations, four states, and two International.

Mr. Solis clarified that through July 2023, compared to the entire year of 2019, hosted meetings were 82%, room nights were 75%, and attendees were 60%. He then conveyed that he expected numbers to surpass 2022 and be similar to pre-pandemic amounts.

Mr. Solis predicted 2023 would have 29 meetings, 368,241 total room nights, and 3,481 average peak rooms. In parallel, he anticipated 2024 would have 28 meetings, 327,156 total room nights, and 3,391 average peak rooms.

Gerald Womack, Committee Member, remarked that “Sales” facilitated convention business and thanked Mr. Solis and his team for their hard work.

Holly Clapham, Chief Marketing Officer, reported that the Marketing department assumed Mexican and American marketing responsibility in 2022. She added that part of the 2023 strategy was to generate direct economic impact for hotels and attractions via a diverse mix of retail campaigns. Ms. Clapham explained the Digital Display of Hotel Conversation results for May, June, and July. She described that Amadeus resulted in revenue of slightly under \$11 million, Expedia resulted in \$8 million in gross bookings, and Sojern resulted in over \$2.5 million in gross bookings.

Mr. Womack sought a clarification on hotel outreach in numbers rather than percentages. Ms. Clapham replied that each hotel could post its packets without a fee. In response, Mr. Heckman said he would provide the numbers to the Committee. Jorge Franz, Senior Vice President of Tourism & Industry Relations, added that hotels received weekly outreach.

Ms. Clapham stated that the Marketing department supported the meeting efforts through advertising, bid presentations, signage, promotional items, and direct marketing to clients. She added that her team also invested more in social and influencer content.

Ms. Clapham boasted that earned media impressions were 1.1 billion year-to-date and that HFC hosted 95 FAMS. She emphasized that HFC’s numbers were previously unheard of in scale and added that she was excited to increase marketing numbers in 2024.

Sofia Adrogué, Committee Member, thanked Ms. Clapham and her team for their work and sought access to ads or videos that the Committee would utilize. Mr. Heckman said Ms. Clapham would circulate the link to the Committee Members. Similarly, Mr. Womack asked for a summary of influenced communities. Ms. Clapham stated she would comply with the request.

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Mr. Franz reported on Collaborate, formerly the Tourism Summit. He indicated it would be held on November 8, 2023, at the George R. Brown Convention Center from 9:00 a.m. to 5:00 p.m. According to Mr. Franz, the keynote speaker would be PCMA President & CEO Sherrif Karamat, and he noted that the event would focus on teaching attendees how to work with HFC, promote hotels or attractions to potential visitors, and disclose Houston's top attractions.

Mr. Franz announced that the Houston Insider program was returning and that five trainings have already been scheduled in September to teach frontline personnel how to sell Houston. He added that the training included the Moxey Hotel, Four Seasons, Hilton Americas, Marriott Marquis, and Westin Galleria.

According to Mr. Franz bi-monthly Houston Mixers for the hospitality industry would begin on October 5, 2023, at Pitch 25. He added that the mixers would provide networking and information-sharing opportunities.

Mr. Franz informed the Committee that HFC's Tourism department focused on collaborating with partners that could sell travel directly to consumers. He highlighted that HFC partnered with British Airways and Singapore Airlines and added that HFC was exploring a cooperative campaign with Expedia in the fourth quarter of 2023, which would focus exclusively on hotels.

Mr. Womack asked about marketing with South Africa. Mr. Franz stated he took the airports' lead on marketing needs. He explained the top market in consideration for Houston was India, which was growing at a rate not previously seen and was one of the top two long-haul markets along with the United Kingdom.

Mr. Heckman reminded the Committee that the subsequent Sales, Tourism, and Marketing Committee Meeting would be in November 2023, when HFC will present its 2024 strategies and budget proposal.

James Batt, Committee Member, addressed destination fees, which were charges instead of raising room rates. Stephanie Haynes, Committee Member, stated that hotels must disclose those fees. Mr. Batt responded that he would like to know the fees subject to HOT. Ms. Haynes replied that the wording determined the costs subject to HOT. Mr. Heckman noted that he would circulate information on fees subject to HOT.

**Adjourn.** The meeting was adjourned at 11:23 a.m.

**IV. (A) Consideration and possible recommendation of the 2024 Sales, Tourism, Marketing, and Film Budget.**

**Consideration and possible recommendation of the 2024 Sales, Tourism, Marketing, and Film Budgets.**

**RESOLVED**, that the Sales, Tourism, and Marketing Committee of Houston First Corporation hereby recommends the 2024 Sales, Tourism and Marketing, and Film Budget.

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HOUSTON FIRST CORPORATION

# SALES, TOURISM, AND MARKETING COMMITTEE MEETING

Discovery Green  
DOWNTOWN

**HFC BOARD ROOM**  
**Partnership Tower**  
Thursday, November 2, 2023  
10:00 a.m.

1 HFC SALES, TOURISM & MARKETING COMMITTEE MEETING

The Waterworks  
BUFFALO BAYOU PARK



2 HFC SALES, TOURISM & MARKETING COMMITTEE MEETING

# PUBLIC COMMENTS

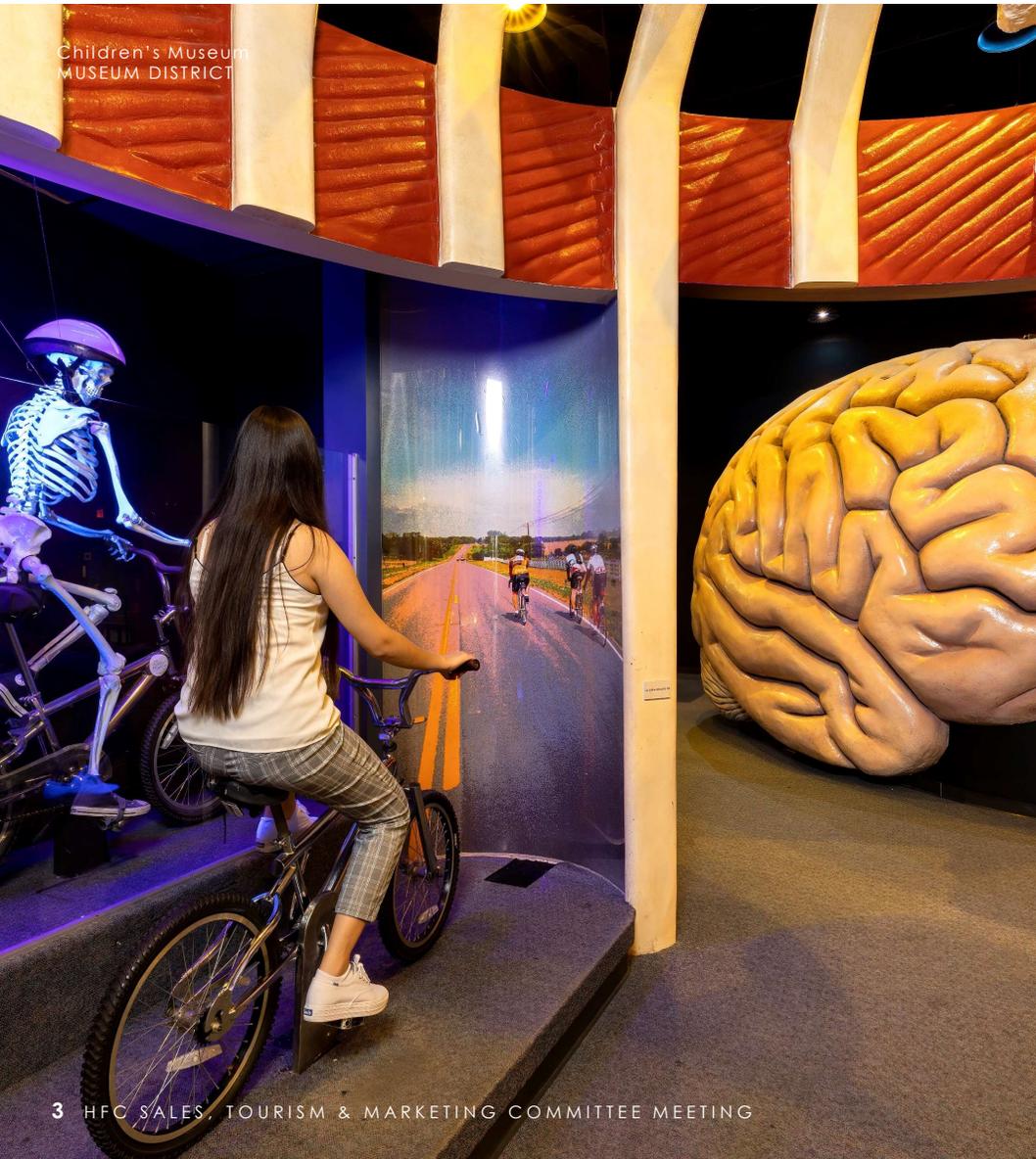
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Anyone who wishes to address the committee during the Public Comment session may do so by signing up on the Public Comment page at the front of the room.

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

November 2, 2023

**Houston**first



Children's Museum  
MUSEUM DISTRICT

3 HFC SALES, TOURISM & MARKETING COMMITTEE MEETING

# MINUTES

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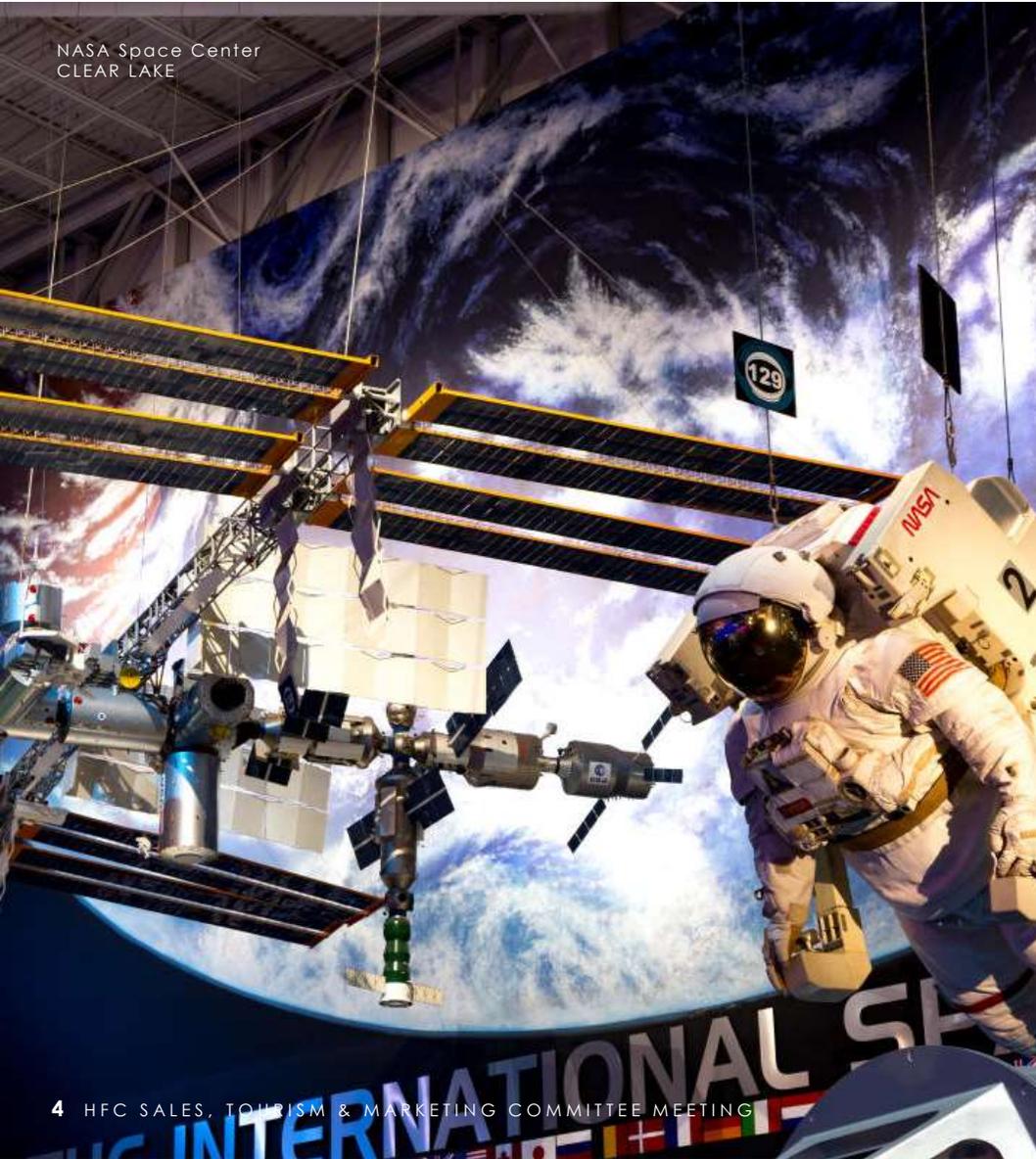
September 12, 2023

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

November 2, 2023

**Houstonfirst**

NASA Space Center  
CLEAR LAKE



4 HFC SALES, TOURISM & MARKETING COMMITTEE MEETING

# COMMITTEE BUSINESS

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- A. Consideration and possible recommendation of the 2024 Sales, Tourism, Marketing, and Film Budgets.

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

November 2, 2023

Houstonfirst

# STRATEGIC PILLARS

## TRANSFORMATIONAL LEADERSHIP

Enhance and employ organizational relevance by inspiring, influencing, and leading key stakeholder groups in furtherance of HFC's mission and value for Houston.

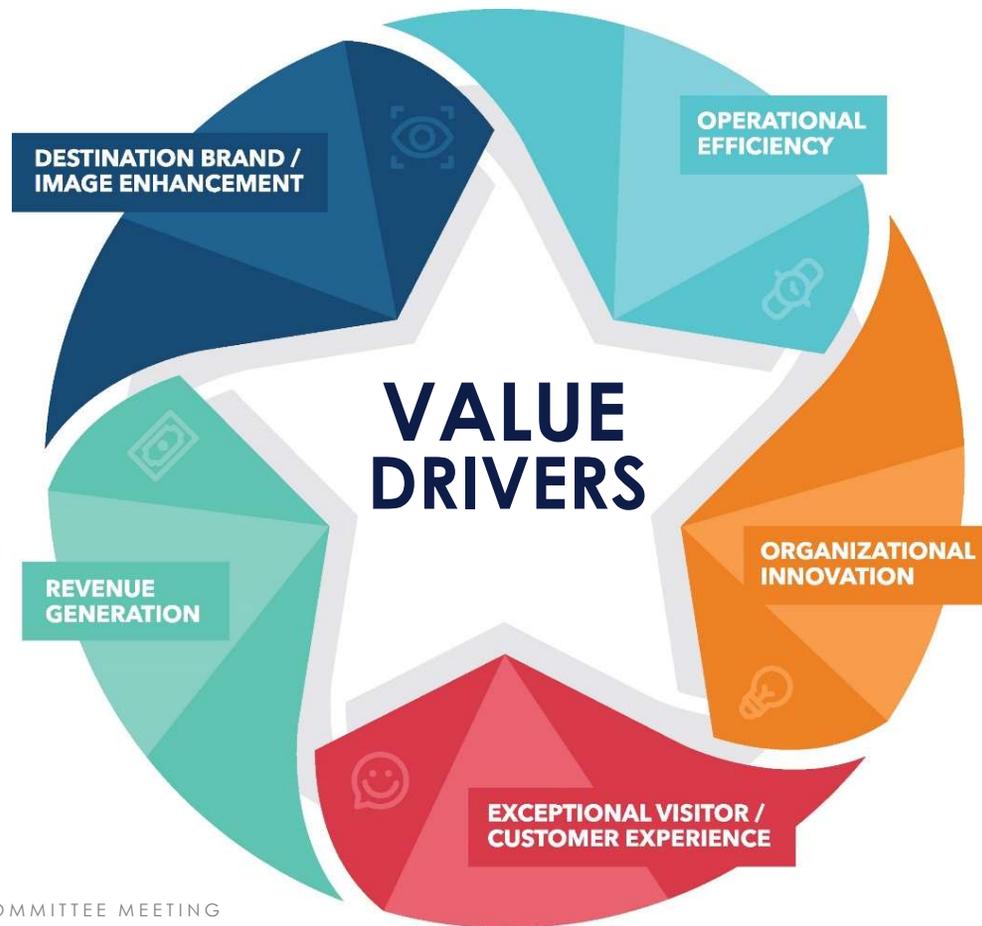
## DESTINATION DEVELOPMENT

Serve as a catalyst for initiatives that strengthen Houston's global reputation, increase travel to the city, and improve HFC's economic impact to the community.

## REVENUE DIVERSIFICATION & ASSET GROWTH

Advance new opportunities for additional revenue streams, asset growth, and financial mechanisms that strengthen HFC's financial outlook and viability.

# CORE OF VALUE CREATION



# CY 2023 BUDGET VS FORECAST

<i>(\$ in millions)</i>	<b>2023 Budget</b>	<b>2023 Forecast*</b>	<b>CHANGE</b>
<i>Operating Revenue</i>	\$108.1	\$116.9	\$8.8
<i>Non-Operating Revenue</i>	99.5	108.8	9.3
<b>TOTAL REVENUE</b>	<b>\$207.5</b>	<b>\$225.7</b>	<b>\$18.2</b>
<i>Operating Expense</i>	\$100.0	\$102.1	(\$2.1)
<i>Non-Operating Expense</i>	105.9	123.1	(17.2)
<b>TOTAL EXPENSE</b>	<b>\$205.9</b>	<b>\$225.2</b>	<b>(\$19.3)</b>
<b>REVENUE IN EXCESS OF EXPENSE</b>	<b>\$1.61</b>	<b>\$.58</b>	<b>(\$1.0)</b>

\*In 2023 , instead of financing capital expense, all capital was funded from cash flow from operations. In 2022, capital projects of \$5.2 M were funded from cash flow.

# CY24 STRATEGIC INVESTMENTS



**\$3.1M**  **\$3.2M**   
Advertising & Promotion      Sales and Marketing Strategies



**+\$20.1M**  
Capital Expenditures



**\$200k**  
Houston Film Incentive

# 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**

# 2024 PRIORITIES



- **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 P3 Opportunities to Address Structural HFC Budget Challenges**
- **Pursue Excellence in Corporate Culture**

# PROPOSED CY 2024 BUDGET



## NORMAL BUSINESS YEAR – *Positioning for Growth*

**\$229.2M**  
TOTAL REVENUES

**\$227.8M**  
TOTAL EXPENSES

**\$20.1M**  
CAPITAL EXPENDITURES

### ASSUMPTIONS:

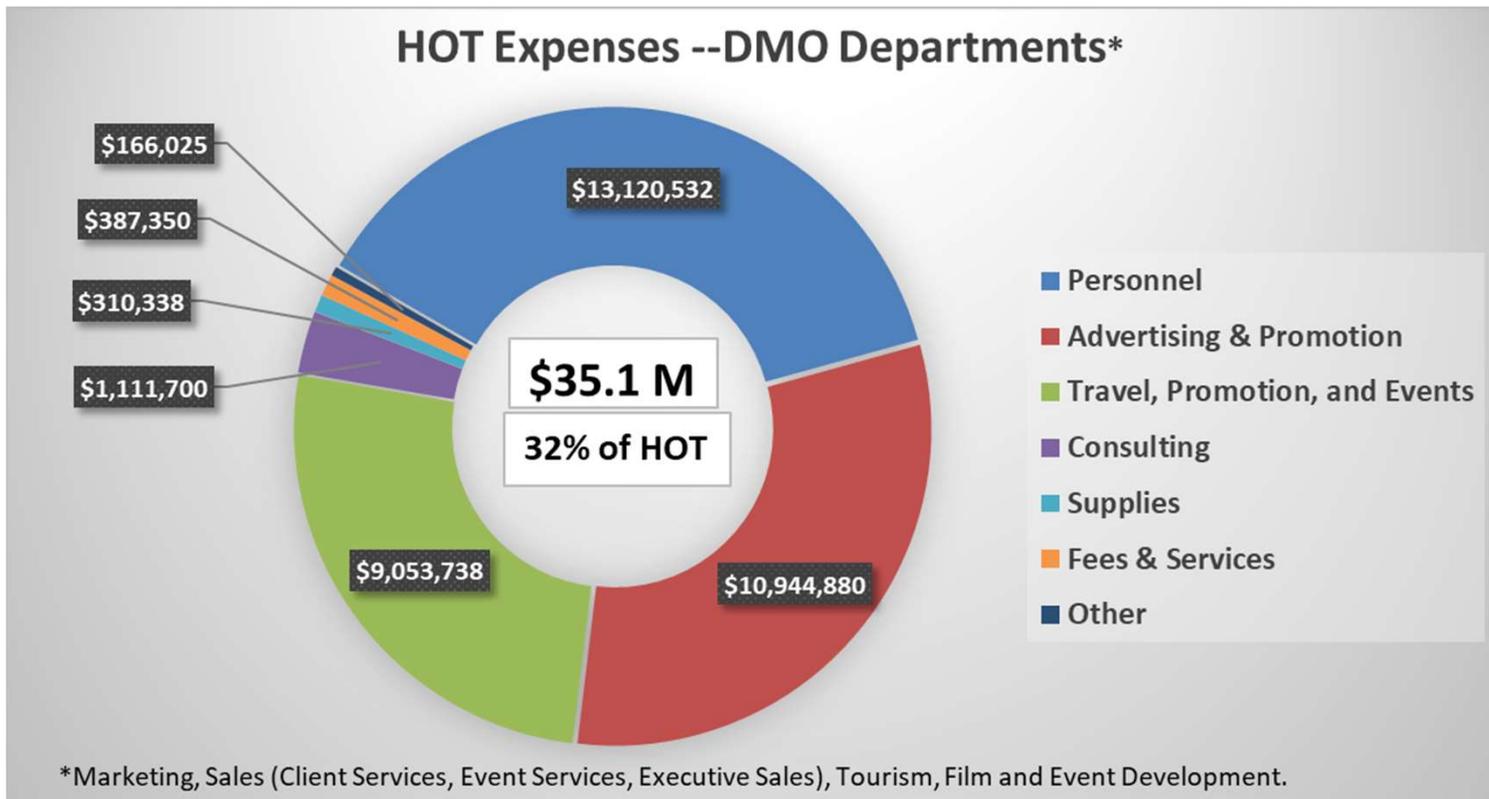
- No recession in 2024
- Leisure travel continues pace
- Business travel continues improvement
- Hotel occupancy and rates improve
- Corporate meeting demand continues
- Return to offices slowly improves
- Concerts, sporting and other events drive parking
- Continued inflation pressure
- Rising interest rate environment

# PROPOSED CY 2024 BUDGET SUMMARY

<i>(\$ in millions)</i>	<b>2023 Forecast Budget</b>	<b>2024 Proposed Budget</b>	<b>CHANGE</b>
<i>Operating Revenue</i>	\$116.9	\$ 115.4	(\$1.5)
<i>Non-Operating Revenue</i>	108.8	113.8	5.0
<b>TOTAL REVENUE</b>	<b>\$225.7</b>	<b>\$229.2</b>	<b>\$3.5</b>
<i>Operating Expense</i>	\$102.1	\$120.4	\$18.3
<i>Non-Operating Expense</i>	123.1	107.4	(15.7)
<b>TOTAL EXPENSE</b>	<b>\$225.2</b>	<b>\$227.8</b>	<b>\$2.6</b>
<b>REVENUE IN EXCESS OF EXPENSE</b>	<b>\$0.5</b>	<b>\$1.4</b>	<b>\$0.9</b>

# PROPOSED CY 2024 BUDGET SUMMARY

(\$ in millions)



# 2024 SALES & CLIENT SERVICES PRIORITIES

- Increase the number of industry events attended in 2024, introducing Houston to a wider range of prospects that will diversify the sales pipeline with new business opportunities while continuing to build exposure and leads from events where we have an established presence.
- Cultivate relationships with new prospects and existing clients, by taking advantage of in-market marquee events in our targeted markets. 2024 Key Markets Include: Washington D.C. (including Maryland and Virginia), Chicago, Austin, Dallas, Minneapolis, Denver and Seattle.

# 2024 SALES & CLIENT SERVICES PRIORITIES

- **Optimize sales performance by:**
  - **Prioritizing opportunities that fill gaps over the next 18 months.**
  - **Focusing on accounts with short-term booking cycles.**
  - **Aggressively pursuing corporate and mid-size association business.**
  - **Identifying midsize to larger events with longer booking cycles that will improve room night booking pace for 2025-2027.**
- **Expand Houston's market share of the healthcare and life sciences event business through a targeted campaign and customized sales approach.**
- **Sustain outstanding hospitality and service to incoming events by understanding and adapting to their unique needs, setting Houston apart from other destinations as well as driving repeat business and referrals.**

# 2024 SALES & CLIENT SERVICES BUDGET

	CY22 Actuals	CY23 Orig Budget	CY23 Forecast	CY24 Budget	Variance h/(l) than CY23 Forecast
Miscellaneous	\$ 712,188	\$ 800,000	\$ 863,611	\$ 780,000	\$ (83,611)
<b>Operating Revenues</b>	<b>\$ 712,188</b>	<b>\$ 800,000</b>	<b>\$ 863,611</b>	<b>\$ 780,000</b>	<b>\$ (83,611)</b>
Personnel	\$ 3,016,196	\$ 4,870,432	\$ 4,430,196	\$ 5,566,104	\$ 1,135,908
Advertising & Promotion		\$ 25,000			\$ -
Travel, Promotion, and Events	\$ 2,887,365	\$ 106,065	\$ 1,280,024	\$ 5,273,910	\$ 3,993,886
Lease Expense	\$ 2,802	\$ 3,960	\$ 2,855	\$ 3,000	\$ 145
Consulting	\$ 5,019	\$ 40,000	\$ 10,000	\$ 96,400	\$ 86,400
Fees & Services	\$ 5,637	\$ 13,650	\$ 4,309	\$ 53,500	\$ 49,191
Other	\$ 28,659	\$ 25,777	\$ 21,251	\$ 47,775	\$ 26,524
<b>Operating Expenses</b>	<b>\$ 5,949,495</b>	<b>\$ 5,091,049</b>	<b>\$ 5,752,378</b>	<b>\$ 11,046,354</b>	<b>\$ 5,293,976</b>
<b>Net Income From Operations</b>	<b>\$ (5,237,308)</b>	<b>\$ (4,291,049)</b>	<b>\$ (4,888,766)</b>	<b>\$ (10,266,354)</b>	<b>\$ (5,377,588)</b>
<b>Non-Operating Revenues</b>					<b>\$ -</b>
Sponsorship Expense	\$ 194,013	\$ 241,050	\$ 241,343	\$ 304,850	\$ 63,507
Non-COH Contractual Obligations	\$ 195,708	\$ 205,308	\$ 205,308	\$ 169,388	\$ (35,920)
<b>Non-Operating Expenses</b>	<b>\$ 389,721</b>	<b>\$ 446,358</b>	<b>\$ 446,651</b>	<b>\$ 474,238</b>	<b>\$ 27,587</b>
<b>Total Revenue less Expenses</b>	<b>\$ (5,627,028)</b>	<b>\$ (4,737,407)</b>	<b>\$ (5,335,417)</b>	<b>\$ (10,740,592)</b>	<b>\$ (5,405,175)</b>
Total Revenues	\$ 712,188	\$ 800,000	\$ 863,611	\$ 780,000	\$ (83,611)
Total Expense	\$ 6,339,216	\$ 5,537,407	\$ 6,199,029	\$ 11,520,592	\$ 5,321,563
Net Profit (Loss)	\$ (5,627,028)	\$ (4,737,407)	\$ (5,335,417)	\$ (10,740,592)	\$ (5,405,175)

# 2024 TOURISM & INDUSTRY RELATIONS PRIORITIES

## TOURISM

- Expand the Houston Insider program to include an additional 2,500 hospitality staff, training programs that directly address current conditions identified from visitor experiences, and at least 4 FAM trips for the local hospitality community.
- Increase leisure sales from the travel trade industry by sharing Houston product information with approximately 600 travel agents in 2024 using the Houston Travel Pro educational portal.
- Boost leisure travel to Houston through promotions with Expedia, Brand USA, airlines, tour operators, etc. and supplement costs by implementing a co-op program with local hotels, airlines, attractions and others.
- Increase profit of the Houston Experience Marketplace by maintaining our reduced marketing budget and offering commission-based incentives to agents and tour operators.
- Boost travel trade business from Mexico by conducting two in-market trade missions, participating in events that magnify Houston's presence, hosting in-person training sessions and 10 FAMs in Houston.

# 2024 TOURISM & INDUSTRY RELATIONS PRIORITIES

## TOURISM CONT'D.

- Collaborate closely with key partners like United States Travel Association (USTA), Destinations International (DI), and Brand USA on joint initiatives. Participate on industry boards and in industry committees, panels, webinars, and speaking engagements that expand influence, address Houston's interests, and promote the city.
- Work with local stakeholders (hotels, airlines, travel agencies and cultural groups) to plan a week-long celebration of National Tourism Week, a nationwide campaign lead by the US Travel Association to promote the resiliency and vibrancy of the tourism industry.
- Monitor other emerging international travel markets and develop comprehensive programs that include marketing, sales missions, training, FAMs, in-market support, tradeshow and other events. Current target regions include: United Kingdom and Southeast Asia.

# 2024 TOURISM & INDUSTRY RELATIONS PRIORITIES

## HOUSTON FILM COMMISSION

- Launch a \$200k incentive for narrative feature films and tv series filmed in Houston's city limits. The criteria for submissions should be finalized by end of 2023.
- Improve perceptions of Houston as a filming location and increase awareness by amplifying earned media and advertising efforts in trade publications and on industry websites.
- Align Houston's Film Commission with reputable industry partners who have relationships with established film professionals that will ultimately (1) expand our network, (2) result in more FAM trips that showcase the destination, (3) create new evangelists for filming in Houston, and (4) generate more film projects.
- Enhance HFC's understanding of how to accelerate future Film/TV/Media growth, and the resulting economic impact, by commissioning a Houston Area Production Infrastructure and Capacity Analysis (PICA) study in 2024.

# 2024 TOURISM & INDUSTRY RELATIONS BUDGET

	CY22 Actuals	CY23 Orig Budget	CY23 Forecast	CY24 Budget	Variance h/(l) than CY23 Forecast
Miscellaneous	\$ 100,140	\$ 185,000	\$ 281,938	\$ 531,000	\$ 249,062
<b>Operating Revenues</b>	<b>\$ 100,140</b>	<b>\$ 185,000</b>	<b>\$ 281,938</b>	<b>\$ 531,000</b>	<b>\$ 249,062</b>
Personnel	\$ 970,688	\$ 1,375,669	\$ 1,372,109	\$ 1,619,196	\$ 247,087
Advertising & Promotion	\$ 342,306	\$ 606,500	\$ 580,996	\$ 1,149,000	\$ 568,004
Travel, Promotion, and Events	\$ 460,285	\$ 882,909	\$ 846,551	\$ 1,439,140	\$ 592,589
Consulting	\$ 316,630	\$ 495,700	\$ 495,173	\$ 612,200	\$ 117,027
Fees & Services	\$ 1,902	\$ -	\$ 10,780	\$ 14,900	\$ 4,120
Computer Services	\$ 106				\$ -
Other	\$ 4,201	\$ 77,850	\$ 74,909	\$ 94,100	\$ 19,191
<b>Operating Expenses</b>	<b>\$ 2,109,708</b>	<b>\$ 3,450,733</b>	<b>\$ 3,386,206</b>	<b>\$ 4,943,641</b>	<b>\$ 1,557,435</b>
Net Income From Operations	\$ (2,009,568)	\$ (3,265,733)	\$ (3,104,268)	\$ (4,412,641)	\$ (1,308,373)
<b>Non-Operating Revenues</b>					<b>\$ -</b>
Sponsorship Expense	\$ 65,824	\$ 161,500	\$ 122,869	\$ 148,000	\$ 25,131
Programming & Events	\$ 341	\$ 285,000	\$ 285,176	\$ 600,000	\$ 314,824
<b>Non-Operating Expenses</b>	<b>\$ 66,165</b>	<b>\$ 446,500</b>	<b>\$ 408,045</b>	<b>\$ 748,000</b>	<b>\$ 339,955</b>
<b>Total Revenue less Expenses</b>	<b>\$ (2,075,733)</b>	<b>\$ (3,712,233)</b>	<b>\$ (3,512,313)</b>	<b>\$ (5,160,641)</b>	<b>\$ (1,648,328)</b>
Total Revenues	\$ 100,140	\$ 185,000	\$ 281,938	\$ 531,000	\$ 249,062
Total Expense	\$ 2,175,873	\$ 3,897,233	\$ 3,794,250	\$ 5,691,641	\$ 1,897,391
Net Profit (Loss)	\$ (2,075,733)	\$ (3,712,233)	\$ (3,512,313)	\$ (5,160,641)	\$ (1,648,328)

# 2024 MARKETING PRIORITIES

- **Strengthen Houston's brand equity by:**
  - Increasing brand lift through earned media, national ad placements, film/TV projects, and association with other global brands.
  - Enriching our digital media portfolio and generating audience engagement with authentic storytelling from freelance reporters covering dedicated Houston beats: (1) Culinary, (2) Entertainment & Sporting Events, (3) Music, (4) Shopping, and (5) Festivals.
- **Foster greater synergy as a destination by:**
  - Developing a brand coalition comprised of key industry stakeholders that can amplify Houston's brand, while working with aligned groups on marketing initiatives and branded content.
  - Delivering valuable tools to the community such as an evergreen photo and video asset library, a community events calendar, hotel package promotions, and research findings.
  - Strengthening relationships with local media through proactive pitching and responsiveness.

# 2024 MARKETING PRIORITIES

- **Boost the economic impact of leisure travel to Houston by:**
  - **Enhancing awareness that generates action for the general consumer market in the US, Mexico, and Canada from integrated campaigns (pr, advertising, social and promotion) to.**
  - **Improving hotel occupancy through ongoing strategic partnerships with OTAs in the United States and Mexico.**
- **Accelerate convention booking pace by:**
  - **Strengthening brand awareness and positioning in industry publications and digital channels with a blend of earned media and paid advertising campaigns.**
  - **Supplementing the sales pipeline with qualified prospects from lead generation campaigns on direct-to-client and other B2B platforms. Reduce the amount of time spent managing and increase the time spent on production.**

# 2024 MARKETING PRIORITIES

- **Build excitement around the convention district transformation with a communications strategy that:**
  - **Features the vision and enhanced amenities**
  - **Highlights that Houston remains open for business throughout the multi-year project**
  - **Provides ongoing development updates**
- **Increase travel market share from Mexico through increased exposure from integrated marketing campaigns and in-country activations that spotlight Houston as a global destination.**

# 2024 MARKETING BUDGET

	CY22 Actuals	CY23 Orig Budget	CY23 Forecast	CY24 Budget	Variance h/(l) than CY23 Forecast
<b>Operating Revenues</b>					\$ -
Personnel	\$ 2,064,367	\$ 2,748,348	\$ 2,717,641	\$ 2,932,586	\$ 214,945
Advertising & Promotion	\$ 6,251,037	\$ 7,083,083	\$ 7,089,767	\$ 9,326,380	\$ 2,236,613
Travel, Promotion, and Events	\$ 298,272	\$ 433,085	\$ 459,493	\$ 764,531	\$ 305,038
Consulting	\$ 312,367	\$ 385,600	\$ 354,068	\$ 352,700	\$ (1,368)
Fees & Services	\$ 63,615	\$ 42,000	\$ 31,130	\$ 317,000	\$ 285,870
Computer Services	\$ 54				\$ -
Other	\$ 13,198	\$ 33,330	\$ 10,238	\$ 8,500	\$ (1,738)
<b>Operating Expenses</b>	<b>\$ 9,021,462</b>	<b>\$ 10,948,791</b>	<b>\$ 10,892,337</b>	<b>\$ 13,977,771</b>	<b>\$ 3,085,434</b>
<b>Net Income From Operations</b>	<b>\$ (9,021,462)</b>	<b>\$ (10,948,791)</b>	<b>\$ (10,892,337)</b>	<b>\$ (13,977,771)</b>	<b>\$ (3,085,434)</b>
<b>Non-Operating Revenues</b>					\$ -
Capital Spending	\$ 2,705				\$ -
<b>Non-Operating Expenses</b>	<b>\$ 2,705</b>				\$ -
Total Revenue less Expenses	\$ (9,024,167)	\$ (10,948,791)	\$ (10,892,337)	\$ (13,977,771)	\$ (3,085,434)
Total Revenues					\$ -
Total Expense	\$ 9,024,167	\$ 10,948,791	\$ 10,892,337	\$ 13,977,771	\$ 3,085,434
Net Profit (Loss)	\$ (9,024,167)	\$ (10,948,791)	\$ (10,892,337)	\$ (13,977,771)	\$ (3,085,434)

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