

An aerial architectural rendering of a large, modern building with a long, low profile and a series of vertical fins or columns along its side. The building is surrounded by a large, open plaza with many people walking. There are trees, green spaces, and some outdoor seating areas with umbrellas. In the background, other city buildings and a body of water are visible. The entire image has a blue tint.

HOUSTON FIRST CORPORATION

GRB TRANSFORMATION PROJECT UPDATE

December 9, 2025

HoustonfirstSM

GRB SOUTH EXPANSION

30.7%

Percentage of total project work contracted to date with MWDBE firms totaling **\$166.6M**

83 | 36

Total Contractors/Consultants | MWDBE

HFC has invested in the Construction Career Collaborative (C3) Program for this project. The C3 program requires every worker on site to be OSHA 10 certified and every foreman to be OSHA 30 certified.

89,929

Total Safely Worked Man Hours on the Project as of Dec. 5, 2025

GRB SOUTH EXPANSION

\$375 Million Credit Capacity

Tax-exempt sub-note borrowing program

\$161.5 Million

Total of invoices paid to date

SPENDING BREAKDOWN					
LAND	CONSTRUCTION	ARCH/ENG/DEV	DEB SERVICE	PERMITS/FEES/ UTILITIES	LEGAL/SURVEY/ OTHER
\$37.5 M	\$70.2M	\$37.2M	\$3.6M	\$9.3M	\$3.7M

GRB SOUTH EXPANSION



GRB SOUTH EXPANSION



HOUSTON FIRST CORPORATION
**CY 2026 STRATEGY
& BUDGET**

Memorial Park
WEST HOUSTON

PREPARED FOR

**City of Houston Budget &
Fiscal Affairs Committee**

December 9, 2025



OUR MISSION

To create value and enhance economic prosperity by promoting the Houston region.

STRATEGIC PILLARS & VALUE DRIVERS

TRANSFORMATIONAL LEADERSHIP

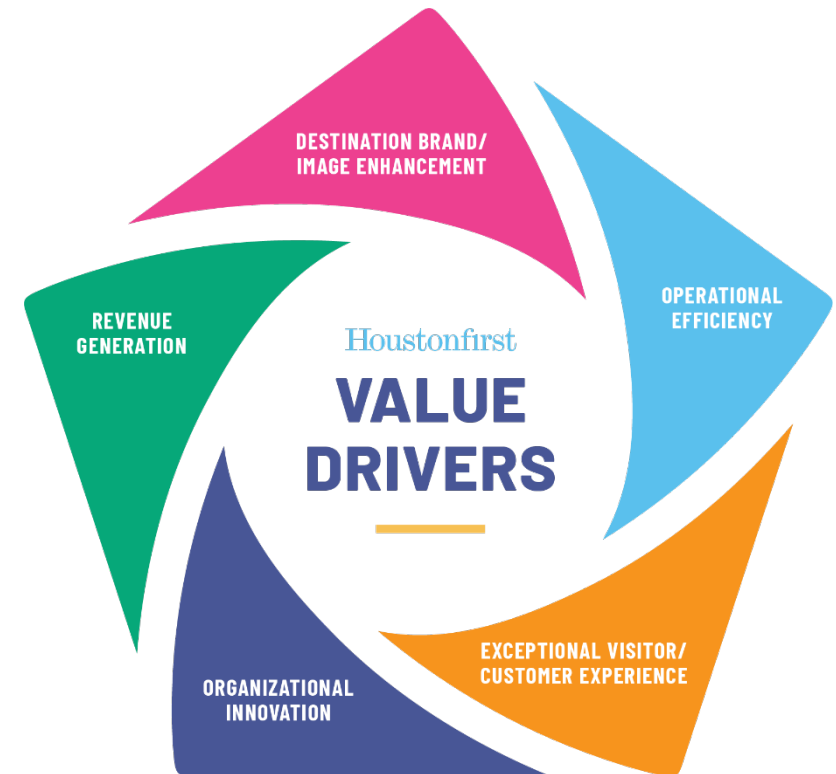
Enhance and employ organizational relevance by inspiring, influencing, and leading key stakeholder groups in furtherance of HFC's mission and value for Houston.

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.



CY 2025 BUDGET VS FORECAST

(\$ in millions)	2025 Revised Budget	2025 Forecast	CHANGE
Operating Revenue	\$122.7	\$134.2	\$11.5
Non-Operating Revenue	123.7	116.0	(7.7)
TOTAL REVENUE	\$246.4	\$250.2	\$3.8
Operating Expense	\$133.0	\$133.2	\$0.2
Non-Operating Expense	111.5	106.8	(4.7)
TOTAL EXPENSE	\$244.5	\$240.0	(\$4.5)
REVENUE IN EXCESS OF EXPENSE	\$1.9	\$10.2	\$8.3

3-YEAR REVENUES

\$s in millions



2026 STRATEGIC PRIORITIES

Rocket Park
SPACE CENTER HOUSTON

- Maximize opportunities to encourage travel, and enhance the experience in Houston, for MLB World Baseball Classic and FIFA World Cup.
- Pursue and attract high-visibility and high-impact events that provide national and international reach and encourage new audiences to experience Houston.
- Establish the George R. Brown Convention Center as the premier convention center in the United States for premium and customized service and hospitality.
- Advance construction of GRB South, on time and on budget, while exploring other convention campus development, including an adjacent entertainment district.
- Leverage the Convention District Transformation to book high-value conventions and layer business, so that previously achieved booking metrics are exceeded.

2026 STRATEGIC PRIORITIES



Marriott Marquis Lazy River
DOWNTOWN

- Promote brand synergy across the city with business groups and organizations, sharing the Power of Together brand message, Houston's brand truths and positioning, while demonstrating its adaptability to all industries.
- Increase visitation from Mexico through a multi-layered strategy that incorporates travel-trade engagement and training along with authentic, consumer-focused marketing activities.
- Develop and implement a 5-year strategic plan to build, enhance and expand the film industry in the Houston Region.
- Execute comprehensive initiatives to monetize HFC assets that yield recurring non-traditional revenue.
- Explore opportunities for public-private partnerships that enhance Houston's vitality and destination appeal.

PROPOSED CY 2026 BUDGET

Wortham Theater
THEATER DISTRICT

\$258.5M
TOTAL REVENUES

\$257.0M
TOTAL EXPENSES

\$19.2M
CAPITAL EXPENDITURES

Market Conditions:

- No recession anticipated in 2026, modest revenue growth
- Avenida South Garage demolished in May 2026
- Leisure travel growth continues, led by upper income travelers, but moderates
- Business travel continues to improve
- Hotel occupancy and rates improve modestly
- Corporate meeting demand continues
- Major events
- Concerts, sporting and other events continue to drive parking
- Less inflation pressure, lower interest rates

PROPOSED CY 2026 BUDGET SUMMARY

(\$ in millions)			
	2025 Forecast	2026 Proposed Budget	CHANGE
Operating Revenue	\$134.2	\$ 137.3	\$3.1
Non-Operating Revenue	116.0	121.2	5.2
TOTAL REVENUE	\$250.2	\$258.5	\$8.3
Operating Expense	\$133.2	\$146.0	\$12.8
Non-Operating Expense	106.8	111.0	4.2
TOTAL EXPENSE	\$240.0	\$257.0	\$17.0
REVENUE IN EXCESS OF EXPENSE	\$10.2	\$1.5	(\$8.7)

CONTRIBUTIONS TO COH & STAKEHOLDERS

Transfers to City	(\$ in 000s)
HAA (19.3% HOT)	\$22,388
Promotion	426
Protocol	470
Traffic Administration	242
Annex Garage	365
Hobby Center	279
Total	\$24,170

Transfers to Stakeholders	(\$ in 000s)
Discovery Green	\$1,494
Hobby Center	1,100
Buffalo Bayou Partnership	990
Total	\$3,584

HoustonfirstSM

www.HoustonFirst.com