



Smart Financial Centre at Sugar Land

Annual Report for 2017 Calendar Year

Presentation Outline

- Background of Project
- Highlights from Calendar Year 2017
- Quantitative Summary of Success
- Looking Forward to 2018



Project Background

A Decade in the Making

Project Background

- Citizen-Led Visioning Task Force in 2007
 - *Identified 5 Cultural / Entertainment Venues*
- Formalized Partnership with ACE SL, LLC in 2011-2013
 - *MOU, LOI and Development & Lease Agreements*
- Funded WITHOUT the Use of Any General Property Tax Dollars
- ACE Made \$10M Equity Contribution & to Make Substantial Rent Payments throughout Life of Project

Project Background

- Groundbreaking in December 2014
- Opened On Time & Within Budget in January 2017
 - *\$84M Venue Construction Budget with \$1M Contingency*
 - *ACE Provided Funding for Catering Kitchen & Pyrotechnics*
 - *City Portion to be Repaid through Project Revenues*
- Guided by City Council Task Force
 - *Smart Financial Centre at Sugar Land*
 - *Plaza, Parking & Marquee*

Project Background

- December 2014:
Groundbreaking



Project Background

- December 2015:
Steel Topping Out Ceremony



Project Background

○ Mid-Construction



Project Background

○ Mid-Construction



Project Background

○ Mid-Construction



Highlights from 2017

○ Completed &
Open



Project Background

○ Completed
& Open



Highlights from 2017

○ Completed & Open



Highlights from 2017

○ Completed & Open



Highlights from 2017

○ Completed &
Open



Highlights from 2017

○ Completed &
Open



Project Background

○ Completed
& Open



Project Background

○ Completed
& Open



Project Background

○ Completed
& Open



Highlights from 2017

- Completed & Open



Project Background

○ TIRZ No. 4 Plaza



Project Background

- TIRZ No. 4 Plaza & Temporary Public Art Installation



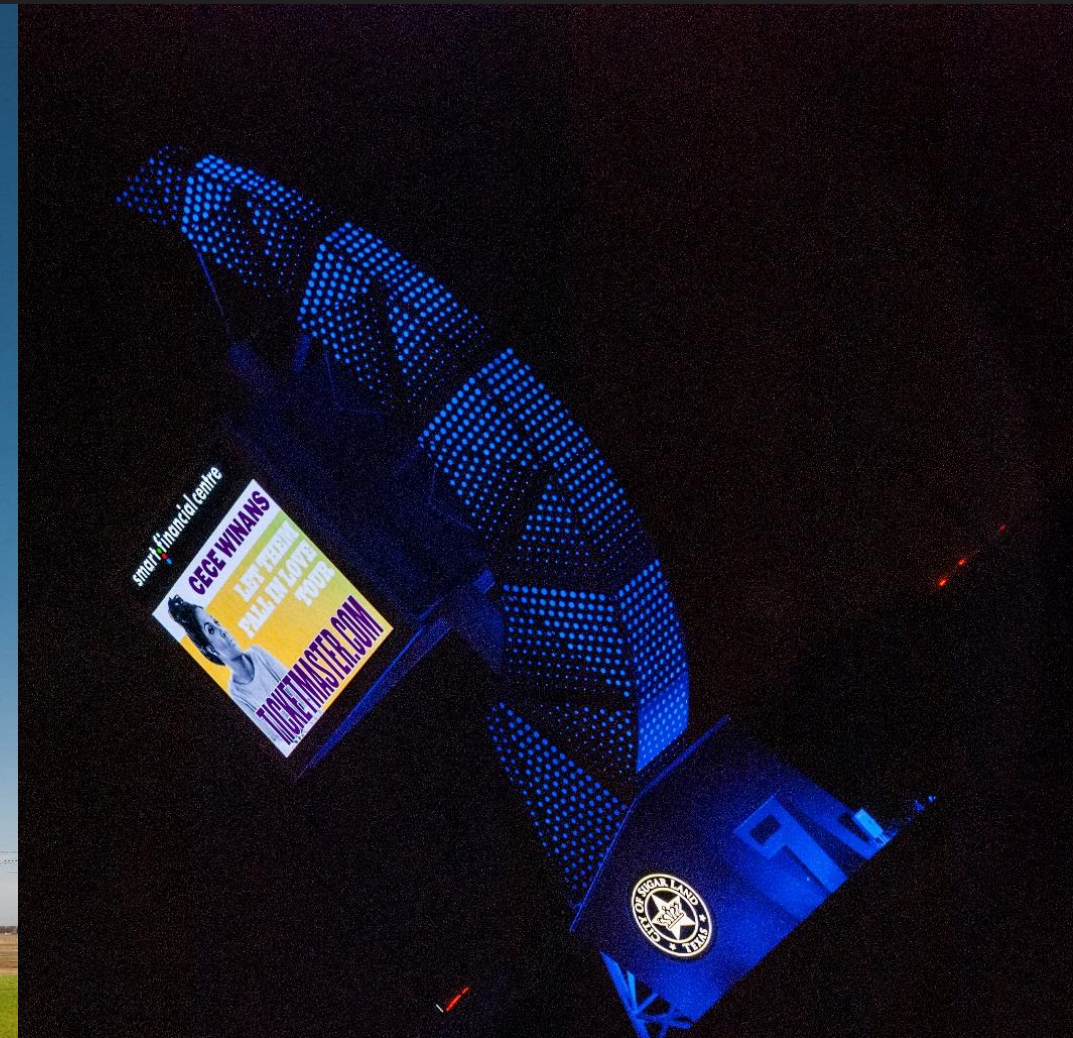
Project Background

- Award-Winning Marquee



Project Background

- Award-Winning Marquee



Highlights from 2017

- Incredibly Diverse List of Highest Quality Entertainment



Project Background

- Current Status of City Project:
 - *Completed All Development Agreement Obligations for Design & Construction – Including Kitchen & Pryo System*
 - *Final Construction Contract Close-Out to Occur Mid-2018*
 - *Savings Reinvested into Mutually Agreed Upon Projects*



Highlights from the First Year

Calendar Year 2017

Highlights from 2017

○ Incredibly Diverse List of Highest Quality Entertainment



Highlights from 2017

○ PERFORMING ARTS / THEATRICAL PRODUCTIONS

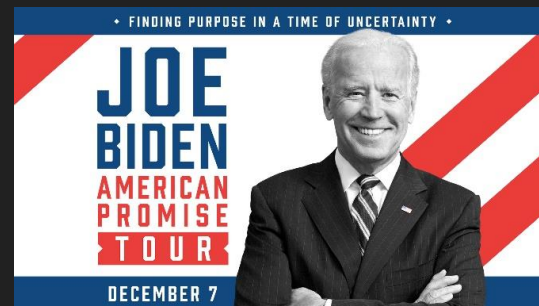
○ 34 EVENTS ~
26%



Highlights from 2017

○ COMEDY/
SPOKEN
WORD

○ 16 EVENTS
~ 12%



Highlights from 2017

○ CONCERTS

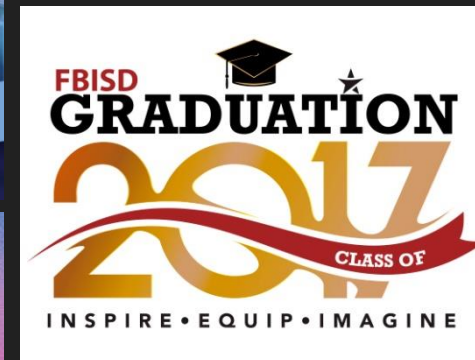
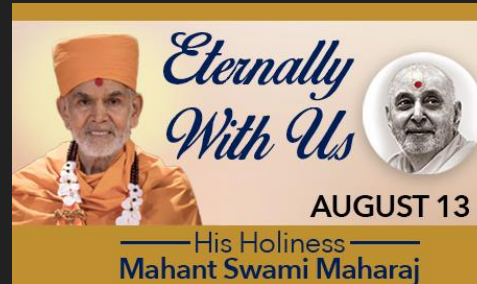
○ 45 EVENTS
~ 34%



Highlights from 2017

○ COMMUNITY / FAMILY

○ 17 EVENTS
~ 13%



Highlights from 2017

○ ETHNIC / CULTURAL

○ 19 EVENTS
~ 15%



Highlights from 2017

- Incredibly Diverse List of Highest Quality Entertainment



Highlights from 2017

- Incredibly Diverse List of Highest Quality Entertainment



Highlights from 2017

- Incredibly Diverse List of Highest Quality Entertainment



Highlights from 2017

- Incredibly Diverse List of Highest Quality Entertainment



Highlights from 2017

- Incredibly Diverse List of Highest Quality Entertainment



Highlights from 2017



Highlights from 2017

- Incredibly Diverse List of Highest Quality Entertainment



Highlights from 2017

- Community & Philanthropic Support



Highlights from 2017

- Community & Philanthropic Support



Highlights from 2017

- Community & Philanthropic Support



Highlights from 2017

- Community & Philanthropic Support



Highlights from 2017

○ Overwhelming High Praise from Press & Patrons

PaperCITY FASHION INTERIORS ARTS CULTURE SOCIETY SHOP THE MAGAZINE

CARS FOOD RESTAURANT BUZZ SOUND & FURY SPORTING LIFE TRAVEL

HOME NEWS OPINIONS COMMUNITY SPORTS DIGITAL ISSUE TABS SPECIAL CLAS

Sugar Land becomes entertainment destination

July 13, 2016 by FortBendStar

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abc13 SECTIONS TRAFFIC WATCH

New Sugar Land entertainment venue set to host everything from church assemblies to rockstars

Share G+ Tweet Email

Smart Financial Center will host more than 100 performances a year from local groups to rock stars.

SOUND & FURY

Jerry Seinfeld Mocks Sugar Land in Whirlwind Texas Trip: You Know You've Arrived When...

BY CHRIS BALDWIN 01.16.17

SHARE f t g+ t

Jerry Seinfeld commands any stage he graces. Whether it's the Beacon Theatre or Sugar Land's new palace.

1 2 3

As soon as Jerry Seinfeld takes the stage, he is in the room. Namely, why the hell is Jerry Seinfeld in Sugar Land? "Oh my God, Sugar Land, Texas!" Seinfeld said. "I can't believe it. The very first show ever in the Smart Financial Center! What a life we're leading here in Sugar Land!"

Smart Financial Center will host more than 100 performances a year from local groups to rock stars.

Highlights from 2017

Daily Show's Trevor Noah joins list of Smart comedians headed to Sugar Land

By Clifford Pugh 3:27:17 | 5:08 pm



Trevor Noah will perform at the Smart Financial Center on November 10. Courtesy photo

Sugar Land continues to be a funny place.

Since the [Smart Financial Centre](#) opened in January, the new venue has been a magnet for top comedians, including Jerry Seinfeld, the [debut performer](#), and Bill Maher. The latest to stake a claim is [Trevor Noah](#), who brings his stand-up act featuring tales from his upbringing in South Africa, along with political musings, to the subterranean Houston arena on November 10.

Ageless Tony Bennett proves he's still got it with a performance that packs a punch

By Marcy de Luna 3:16:17 | 3:57 pm



Before launching into "The Good Life," Bennett joked with concertgoers, "I sang this song with Lady Gaga. I want you to buy the record because she needs the money." Photo by Nikki Rosenberg/Getty Images



Proving age is only a number, 90-year-old [Tony Bennett](#) delivered a wallop of a performance Tuesday night at [Sugar Land's Smart Financial Centre](#). The legendary entertainer took to the stage with vigor, commanding the spotlight and earning several well-deserved standing ovations during the show. For anyone wondering, the seemingly ageless crooner has still got it, and then some.

Bastille's Arena-Size Pop-Rock Strikes a Chord at Smart Centre

BY MATTHEW KEEVER FRIDAY, APRIL 7, 2017 AT 10:01 A.M.



Photo by Christ Vest



Bastille
Smart Financial Centre
April 6, 2017

In the music video for "Fake It," the second single from 2016's [Bastille](#), news anchor speaks directly into the camera with the charm of a modern-day political pundit.

Popcorn and lobster rolls rule at Smart Financial Centre

By Ken Hoffman February 27, 2017

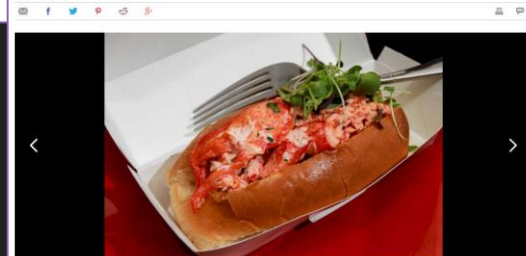


Photo: Gary Fountain, For The Chronicle

IMAGE 1 OF 14
Lobster Roll at Smart Financial Center (For the Chronicle/Gary Fountain, February 26, 2017)

Let's take some time out to consider the biggest problem facing Greg King, executive chef at the new Smart Financial Centre in Sugar Land.

Because that's the only timeout he'll get - and that's his problem.

Chris Rock adds second Houston-area show on his Total Blackout Tour

By Clifford Pugh 4:57:17 | 2:14 pm



Chris Rock is adding a second Houston-area show on his Total Blackout Tour. Courtesy photo

ROCK 'N ROLL: Kingwood kids come face to face with KISS

Kingwood High School students got to rock and roll all night with KISS in Sugar Land.



EMBED </> MORE VIDEOS >



Tuesday, September 26, 2017
SUGAR LAND, Texas
kids from Kingwood t
Land.



Photo by Eric Sorenson

Journey Keep It Simple and Glorious at Smart Financial Centre

CORY GARCIA | JULY 13, 2017 | 8:49AM

Journey, Asia
Smart Financial Centre
July 12, 2017

Bands don't need a narrative, but a narrative helps. You can get into the Rock and Roll Hall of Fame without one. I guess, but giving people a reason

Highlights from 2017

- Numerous Awards Recognizing Venue & Associated Projects:
 - *Landmark Award* (Houston Business Journal)
 - *Project of Year – Structures \$75M+* (APWA – TX Chapter)
 - *Bronze Award – Public / Private Partnership* (IEDC)
 - *#1 Hottest Music Venue in Houston* (Houston Press)
 - *First Place – Marquee* (Texas Sign Association)
 - *Top Five Venue Worldwide – 5K to 10K Size* (VenuesToday)

Highlights from 2017

- Top Five Venue Worldwide – 5K to 10K Size (Venues Today)
 - *Reporting Year: October 2016 – October 2017*
 - *SFC Operational for Only 9 of 12 Months of Reporting*
 - *First Year of Venue Operation*
 - *Behind Radio City Music Hall, 2 Las Vegas Venues & Mohegan Sun Arena (10K Seats) in Connecticut*

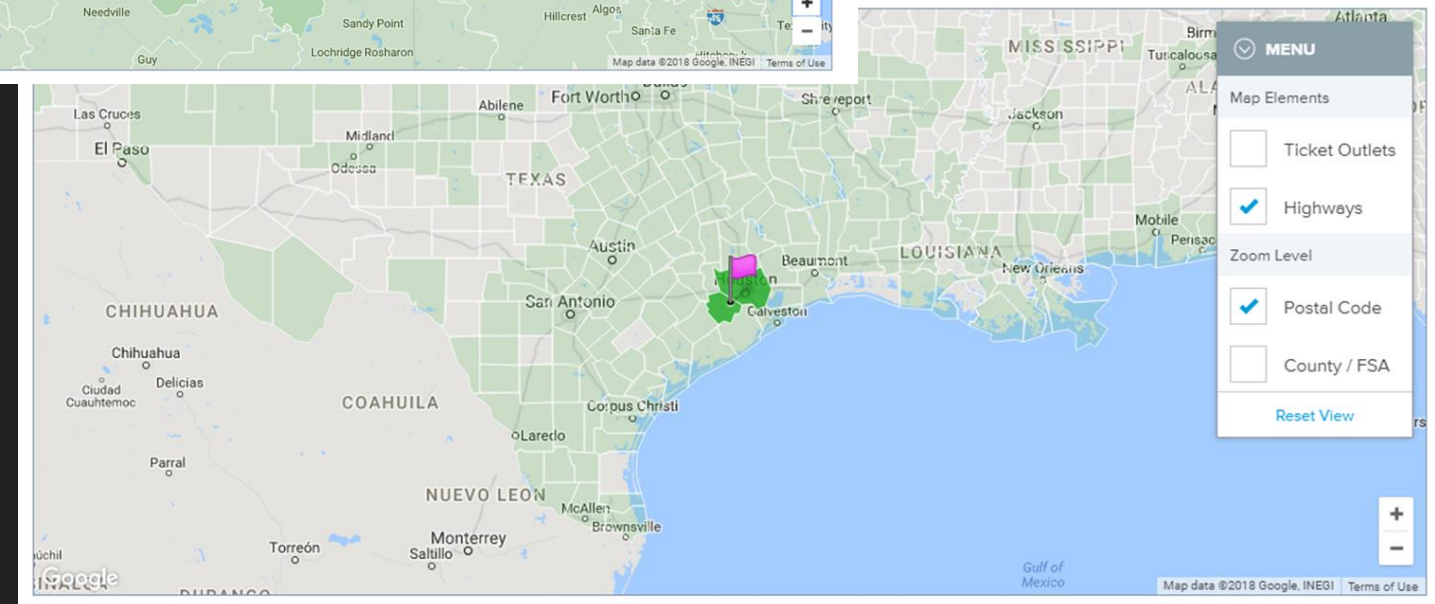
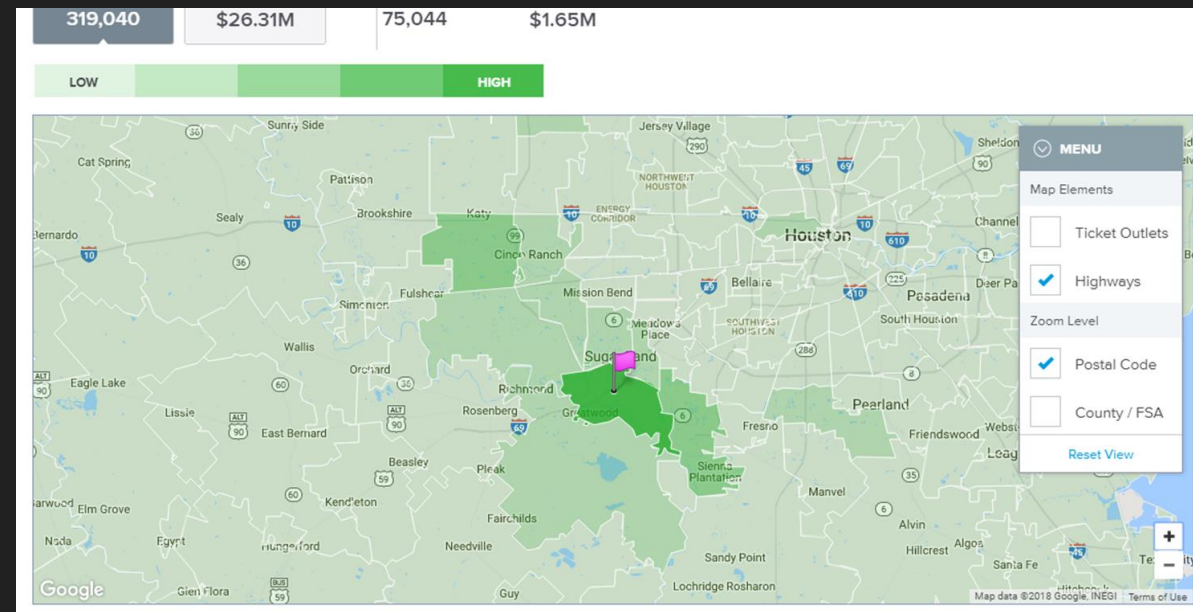


Quantitative Summary of Success

Venue Exceeding All Expectations

Quantifying Success in First Year

- Sugar Land as Destination for Entertainment, Improvement to Quality of Life



Quantifying Success in First Year

ATTENDANCE BY SURROUNDING MARKETS

MARKET	TICKETS	% TOTAL TICKETS	FACE VALUE	% TOTAL FACE VALUE
AUSTIN	5,321	1.66%	\$481,276	1.83%
BEAUMONT-PORT ARTHUR	2,821	0.88%	\$267,117	1.02%
CORPUS CHRISTI	1,124	0.35%	\$109,021	0.41%
DALLAS-FORT WORTH	3,835	1.20%	\$347,572	1.32%
HOUSTON-SUGAR LAND	250,912	78.68%	\$20,646,806	78.52%
SAN ANTONIO	2,922	0.92%	\$254,817	0.97%
WACO-TEMPLE-BRYAN	2,286	0.71%	\$193,275	0.73%
VICTORIA	964	0.31%	\$83,948	0.32%

Unaudited

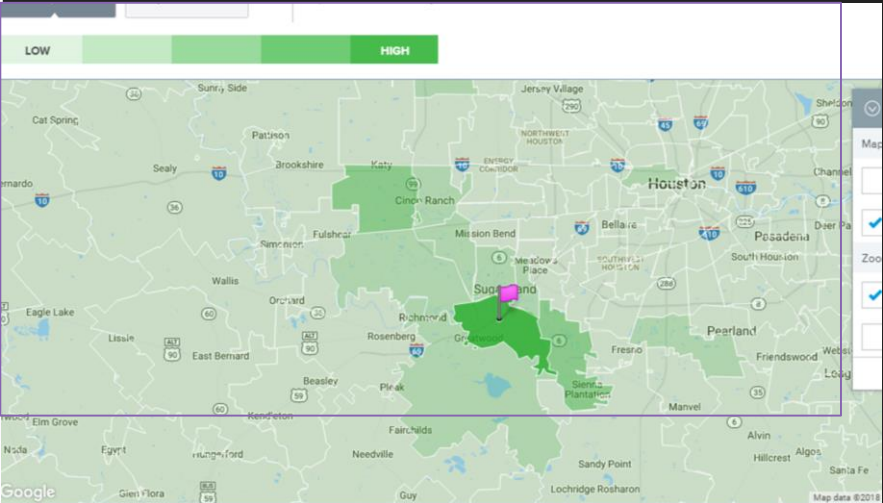


Quantifying Success in First Year

ATTENDANCE BY SURROUNDING COUNTIES

COUNTY	TICKETS	% TOTAL TICKETS	FACE VALUE	% TOTAL FACE VALUE
AUSTIN	592	0.18%	\$47,099	0.18%
BRAZORIA	12,678	3.97%	\$1,010,983	3.84%
BRAZOS	1,294	0.40%	\$114,465	0.43%
CHAMBERS	611	0.19%	\$49,322	0.19%
FORT BEND	81,499	25.56%	\$6,516,377	24.78%
GALVESTION	10,018	3.15%	\$835,903	3.19%
HARRIS	130,499	40.94%	\$10,928,025	41.57%
LIBERTY	607	.18%	\$49,656	0.19%
MONTGOMERY	10,206	3.20%	\$873,945	3.32%
WALLER	396	0.12%	\$31,364.00	0.12%

Unaudited



Quantifying Success in First Year

- 9 Mos. of Gross Sales Reporting Surpasses 12 Mo. Reporting for Amphitheaters, Pavilions & Arenas Across Country
 - *Greek Theatre in LA (5,900 Seats)*
 - *Microsoft Theatre in LA (7,100 Seats)*
 - *Red Rocks Amphitheater in Colorado (9,450 Seats)*
 - *Orleans Arena in Las Vegas (9,500 Seats)*

Quantifying Success in First Year

- **Employment (Full Time / Part Time)**
 - *ACE SL, LLC - 20 FT / 11 PT*
 - *Spectrum Catering, Concessions & Events - 4 FT / 100 PT*
 - *Pritchard Sports & Entertainment - 4 FT / 200 PT*
 - *ACE Parking III - 2 FT / 65 PT*
 - *Contemporary Service Corporation - 2 FT / 250 PT*
 - *Law Enforcement (SLPD, Constable, FBCSO, DPS, FBISD) – 107 PT*
 - *Upstage Center – 4 FT / 100 PT*
- **TOTAL STAFF: 36 Full Time / 833 Part Time**
- **TOTAL WAGES: \$7,381,647**

Quantifying Success in First Year

	# of Shows	# Paid Attendees
Proforma	93 Year One (112 Year Five)	260,000 Year One (305,000 Year Five)
SFC in 2017* <i>(Unaudited)</i>	131	352,522
% vs. Proforma	140.86%	135.59%

Quantifying Success in First Year

- Over \$580,000 in DIRECT Net New Tax Revenue to City
 - *Exceeded Proforma Projections by Nearly 50%*
 - *Overall Increase to Food & Entertainment Sales Tax Sector*
 - *Additional \$100K+ of Estimated Indirect Benefit*
- \$26.1M Community Economic Benefit – Proforma Estimate
 - *Spurred Private Investment – e.g. SLTS*
 - *Positive Impact for Hotels & Restaurants*

Quantifying Success in First Year

	Participation Rent	Parking Fee
2017 Estimate* <i>(Unaudited)</i>	\$105,044	\$394,378

- One-Half of Participation Rent to Capital Repair Fund
 - *In Addition to \$0.50 per Ticket from ACE - \$177,994.50*
- Parking Fees to Repay ACE for City Portion of Kitchen & Pyro
 - *On Schedule for Projected 4-Year Deferral of Revenue*











On the Horizon

Looking Forward to Continue Success in 2018

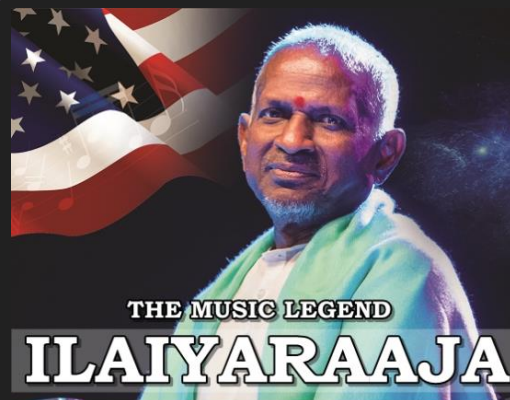
On the Horizon in 2018

○ Even
More
Great
Shows!

 <p>Barry Manilow LIVE IN SUGAR LAND FEBRUARY 2</p> <p>smart financial centre CONCERT SERIES</p>	 <p>G-EAZY THE BEAUTIFUL & DAMNED TOUR FEBRUARY 15</p> <p>W/ Special Guests: Trippie Redd and Phora</p>	 <p>MERCY ME TENTH AVENUE NORTH LIVE FEBRUARY 23</p>	 <p>dancing with the stars LIGHT UP THE NIGHT LIVE! FEBRUARY 24</p>
 <p>JO KOY BREAK THE MOLD TOUR SUNDAY FEBRUARY 25</p> <p>smart financial centre at Sugar Land</p>	 <p>Patti LaBelle & Kem W/ Special Guest Chrisette Michele MARCH 3</p>	 <p>EARTH, WIND & FIRE LIVE IN CONCERT MARCH 6</p>	 <p>GLORIA TREVI VS ALEJANDRA GUZMAN VERSUS WORLD TOUR MARCH 9</p>

On the Horizon in 2018

○ Even
More
Great
Shows!



Ilaiyaraaja
Live in Concert
MARCH 10

INFO

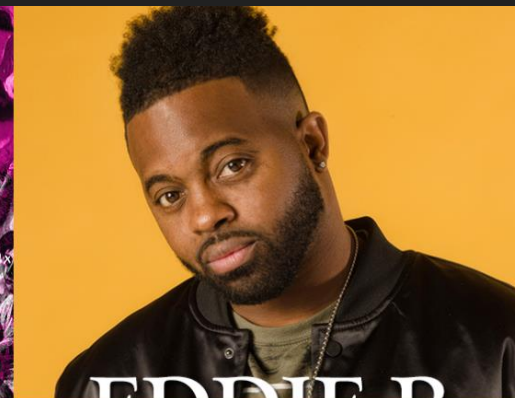
TICKETS



Bad Bunny
La Nueva Religion Tour
MARCH 11

INFO

TICKETS



Eddie B & Friends
Teachers Only Comedy Tour
MARCH 12

INFO

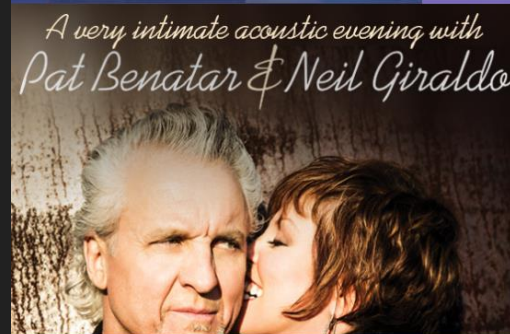
TICKETS



Palabra Miel
MARCH 16 & 17

INFO

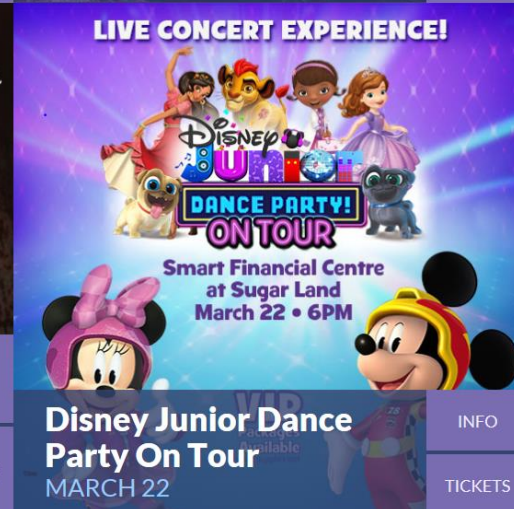
TICKETS



Pat Benatar & Neil Giraldo
A Very Intimate Acoustic Evening
MARCH 21

INFO

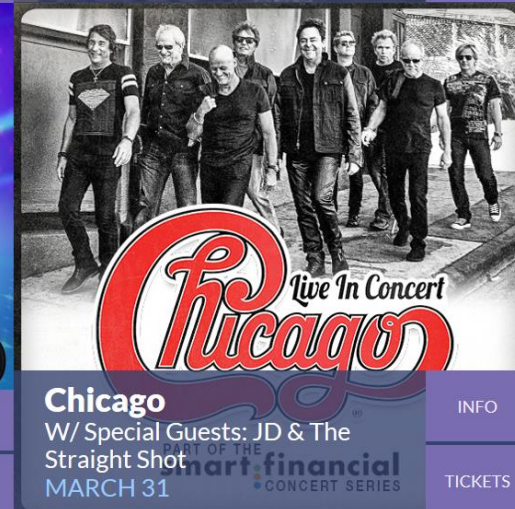
TICKETS



Disney Junior Dance Party On Tour
MARCH 22

INFO

TICKETS



Chicago
W/ Special Guests: JD & The Straight Shot
MARCH 31

INFO

TICKETS



Rain: A Tribute to the Beatles
Celebrating 50 Year
APRIL 4

INFO

TICKETS


On the Horizon in 2018

○ Even
More
Great
Shows!



JOHN CLEESE
LIVE ON STAGE
plus a screening of
Monty Python and the Holy Grail
John Cleese
Monty Python and The Holy Grail
APRIL 5

INFO
TICKETS



JARRE
IN CONCERT
Jean-Michel Jarre
APRIL 10

INFO
TICKETS



RON WHITE
SATURDAY
APRIL 14
Ron White
APRIL 14

INFO
TICKETS




F.A.M.E. TOUR
MALUMA
F.A.M.E. US TOUR
APRIL 19

INFO
TICKETS




JIM GAFFIGAN
THE FIXER UPPER TOUR
Jim Gaffigan
The Fixer Upper Tour
APRIL 20

INFO
TICKETS



H-TOWN 90's Block Party
Keith Sweat, Guy and Teddy Riley, Jagged Edge, 112
H-Town 90's Block Party
APRIL 21

INFO
TICKETS



MAKS • VAL • PETA
CONFIDENTIAL
Maks, Val & Peta
Live on Tour: Confidential
APRIL 26

INFO
TICKETS



Judas Priest: Firepower 2018 Tour
W/ Special Guests Saxon and Black Star Riders
Judas Priest: Firepower 2018 Tour
APRIL 29

INFO
TICKETS

On the Horizon in 2018

○ Even
More
Great
Shows!



Jason Isbell & The 400 Unit
W/ Special Guest Richard Thompson
MAY 2

INFO

TICKETS



Juanes: Amarte Tour with Mon Laferte
W/ Special Guest Caloncho
MAY 4

INFO

TICKETS



Celtic Woman
Homecoming Tour
MAY 5

INFO

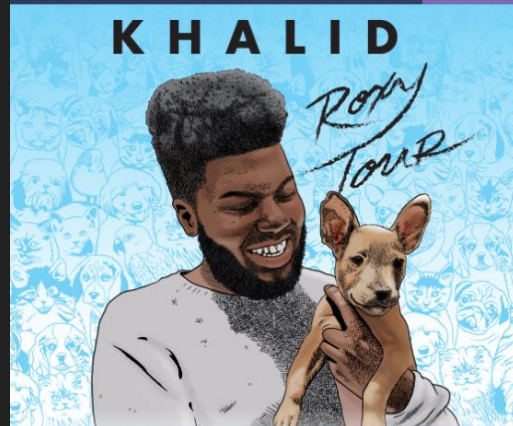
TICKETS



Tom Jones
W/ Special Guests: Into the Ark
MAY 16

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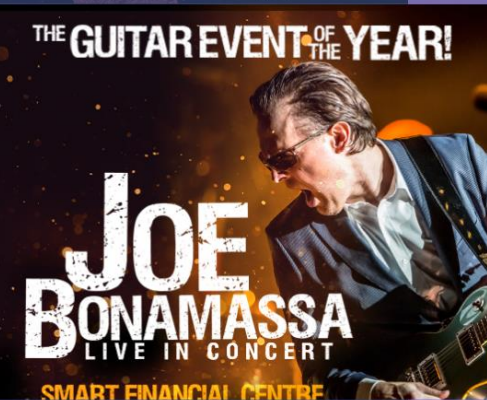
TICKETS



Khalid
MAY 18

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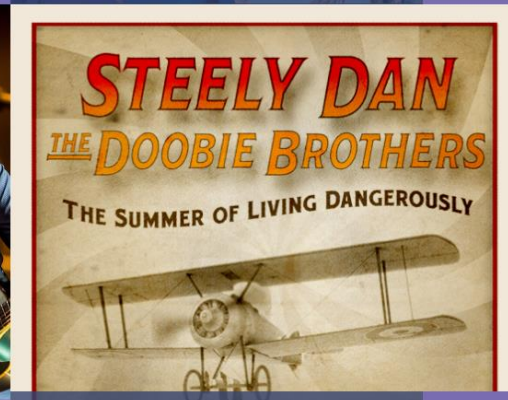
TICKETS



Joe Bonamassa
Live in Concert
MAY 21

INFO

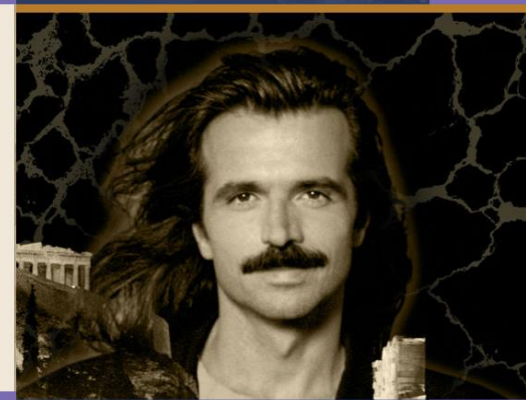
TICKETS



Steely Dan and The Doobie Brothers
MAY 24

INFO

TICKETS



Yanni 25
Acropolis Anniversary Tour
JUNE 16

INFO

TICKETS

On the Horizon in 2018

○ Even
More
Great
Shows!



**Slayer, Lamb of God,
Anthrax, Behemoth,
Testament**
JUNE 17

INFO

TICKETS



Diana Krall
Turn Up The Quiet - World Tour
JUNE 23

INFO

TICKETS



Dan & Phil
Interactive Introverts World
Tour
JULY 3

INFO

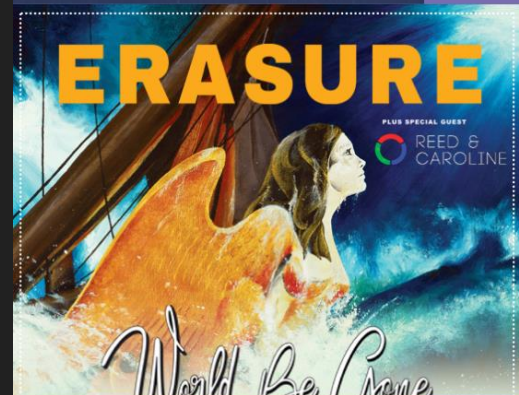
TICKETS



Sugarland
W/ Special Guests: Frankie
Ballard and Lindsay Ell
JULY 21

INFO

TICKETS



Erasure
World Be Gone Tour
AUGUST 4

INFO

TICKETS



The End

Questions?