

SPORTS & ENTERTAINMENT AUTHORITY

DESCRIPTION

The Sports and Entertainment Authority is proposed as a political subdivision of the Commonwealth of Virginia that is being created due to the changing nature of how Henrico County operates, or plans to operate, certain sports and entertainment-related facilities, and the growing significance of sports tourism on the county's local economy. This Authority's mission will be two-fold: 1) ensure that identified facilities with third-party operating agreements are being appropriately managed and maintained per existing agreements and 2) to maximize the county's sports and entertainment tourism potential and opportunities.

The Sports and Entertainment Authority requires approval from the Board of Supervisors for creation via ordinance or resolution following an advertised public hearing as required under Virginia Code § 15.2-5602, also known as the "Public Recreational Facilities Authorities Act." The timeline for creation of the Authority began with dedicated funding and staff in the FY22 budget. From 2021 to 2022, several sports projects in the pipeline will be completed allowing for the evaluation of facilities by county staff for recommendation to the Board on which would be a good fit for the Authority. It is anticipated that the formal legal steps towards the creation of the Authority will begin in the fall of 2022.

OBJECTIVES

- To promote Henrico County as a desirable location for Sports Tourism.
- To promote Henrico County venues as a desirable entertainment destination.
- To conduct a sports management and retention program.
- To provide an avenue for existing and future public-private partnerships and management related to sports and entertainment facilities.

FISCAL YEAR 2023 SUMMARY

Annual Fiscal Plan

Description	FY21	FY22	FY23	Change
	Actual	Original	Approved	22 to 23
Personnel	\$ 0	\$ 458,236	\$ 537,687	17.3%
Operation	0	127,660	127,660	0.0%
Capital	0	0	0	0.0%
Total Budget	<u>\$ 0</u>	<u>\$ 585,896</u>	<u>\$ 665,347</u>	<u>13.6%</u>
Personnel Complement	0	4	4	0

BUDGET HIGHLIGHTS

The Authority will be governed by a board of at least five members appointed by the Board of Supervisors. Guided by an Executive Director, the Authority's Board is expected to be comprised of experts in the tourism industry that can identify creative strategies and solutions to push Henrico to new heights in the sports tourism and entertainment market. The powers of the Authority will include operation, maintenance, and regulation of facilities while still being able to draw on the county staff's expertise and assistance.

The budget for the Sports and Entertainment Authority for FY23 is \$665,347. This includes an increase in personnel of 17.3%, over FY22, bringing the total to \$537,687. This increase is due to salary and benefit adjustments for three positions transferred from the Recreation and Parks complement as well as a Director position as previously mentioned. The operating and capital components remain flat.