

# SPORTS & ENTERTAINMENT AUTHORITY

## DESCRIPTION

The Sports and Entertainment Authority is a political subdivision of the Commonwealth of Virginia that was created by the Board of Supervisors under the Public Recreational Facilities Authorities Act in September 2022 due to the changing nature of how Henrico County operates certain sports and entertainment-related facilities, and the growing significance of sports tourism on the County’s local economy. This Authority’s mission is 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.

## 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 2025 SUMMARY

### Annual Fiscal Plan

Description	FY23	FY24	FY25	Change
	Actual	Original	Approved	24 to 25
Personnel	\$ 775,335	\$ 888,234	\$ 0	(100.0%)
Operation	260,065	190,860	1,608,881 <sup>(1)</sup>	743.0%
Capital	11,017	0	0	0.0%
Total Budget	<u>\$ 1,046,417</u>	<u>\$ 1,079,094</u>	<u>\$ 1,608,881</u>	<u>49.1%</u>
Personnel Complement	5	7 <sup>(2)</sup>	7	0

<sup>(1)</sup> All appropriation shifted to operating to further separate the Authority's financial operations from the County's.

<sup>(2)</sup> Events and Guest Services Manager and Venue Operations Manager added to assist with the Henrico Sports and Events Center.

PERFORMANCE MEASURES

	FY23	FY24	FY25	Change 24 to 25
<b>Effectiveness Measures</b>				
Economic Impact	\$ 68,272,338	\$ 72,422,341	\$ 75,000,000	\$ 2,577,659
Outdoor - Event Tournaments	N/A	N/A	73	73
Indoor - SEC Event Days	N/A	226	280	54
Prospects	10	40	40	-
New Business/Bids Awarded	2	10	15	5
Business Retention	N/A	70%	100%	70%

BUDGET HIGHLIGHTS

Beginning in FY25, the entirety of the Authority’s budget, apart from funds used for inter-departmental charges, will be placed into a singular operating account to be drawn down throughout the fiscal year. The budget for the Sports and Entertainment Authority for FY25 is \$1,608,881. This is an increase of \$529,787, or 49.1% over FY24. The bulk of this growth is due to a salary increase and the associated benefit adjustments, as well as an additional position added in July 2023 to assist with managing events and a part-time position added for FY25. Driven by the County’s continued push to be a leader in sports tourism, the Authority’s budget also includes heightened funding for advertising and conference travel, bookkeeping and auditing contracts, computer software, and other administrative expenses.

DEPARTMENTAL HIGHLIGHTS

The newly created Sports and Entertainment Authority (SEA) has made tremendous strides in less than two years as an established authority. From start-up to entering its second full year of operation, the SEA is focused on delivering tourism impact for Henrico and delivering against four key pillars:

- Sports Tourism and Entertainment events
- Facility Development
- Owned and Operated or Joint Venture event production
- Growth and Development of Sports at all levels – youth, scholastic, collegiate, amateur, and professional

The SEA works collaboratively with many stakeholders, including the SEA Board of Directors, the Economic Development Authority, the Division of Recreation and Parks, HCPS, Public Safety agencies, Richmond Region Tourism, and many other County departments and County leadership.

The SEA is “writing the playbook” for this type of Authority, not only in Henrico but for the Commonwealth of Virginia. The SEA is embarking on a strategic planning process to help the organization chart its future by clearly defining its mission, vision, and core values. The talented team within the SEA is positioned to lead in bidding on large-scale national and regional events for County and SEA managed facilities. The County is blessed with amazing sports facilities imbedded within its recreation and parks facilities that provide the opportunity for the SEA to bid on and host sports tourism events. In addition, the Henrico Sports and Events Center that opened in the fall of 2023 has been a game-changer for the County and the region. It was estimated that nearly \$30 million was being left on the table by not having an indoor sports facility to host basketball, volleyball, futsal, and other indoor related activities.

### *Sports and Entertainment Authority*

The Authority is actively marketing the facility and all County sports properties through a variety of mediums, as well as being active and visible at the industry's largest conferences and trade shows. The SEA team actively pursues many leads, RFP requests, and prospects daily for events and entertainment attractions for the County.

In the next few years, the SEA will take an active role in the development of the Arena at Green City. Projects such as this will open new avenues of sports and entertainment events for the County and the region, so that it is "Showtime. All the Time" in Henrico!