

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: to ensure that identified facilities with third-party operating agreements are appropriately managed and maintained per existing agreements and 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 promote sports and entertainment activities at all levels while simultaneously expanding facilities and infrastructure to generate economic, social, and cultural success for Henrico as a community where everyone wants to live, work, visit, and play.
- To provide an avenue for existing and future public-private partnerships and management related to sports and entertainment facilities.

ANNUAL FISCAL PLAN SUMMARY

Description	FY25 Actual	FY26 Original	FY27 Approved	% Change
Personnel	\$37,544	\$0	\$0	0.0%
Operation	2,009,575	1,949,373	2,336,752	19.9%
Capital	180,044	0	0	0.0%
Subtotal	<u>\$2,227,163</u>	<u>\$1,949,373</u>	<u>\$2,336,752</u>	<u>19.9%</u>
Recommended Adjustment	0	0	-58,481	100.0%
Total	<u>\$2,227,163</u>	<u>\$1,949,373</u>	<u>\$2,278,271</u>	<u>16.9%</u>
Personnel Complement*	N/A	N/A	N/A	N/A

* 12 Employees are supported by the County in this budget, but are not in the County's complement.

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PERFORMANCE MEASURES

	FY25	FY26	FY27	26-27 Change
Workload Measures				
Economic Impact	\$100,000,000	\$105,000,000	\$110,000,000	\$5,000,000
Outdoor - Event Tournaments	74	80	84	4
Indoor - SEC Events	275	276	285	9
Prospects	40	40	40	0
New Business/Bids Awarded	40	27	25	-2
Business Retention	70%	65%	76%	11%

BUDGET HIGHLIGHTS

The approved budget for the Sports and Entertainment Authority for FY27 is \$2,278,271. This is an increase of \$328,898, or 16.9% compared to the approved FY26 budget. This growth is due to salary adjustments, increased telecommunications funding, and the addition of three sports scheduling positions transferred from Recreation & Parks. As part of an exercise in fiscal prudence, this budget includes an operating decrease equivalent to 3% of the department's FY26 approved budget.

DEPARTMENTAL HIGHLIGHTS

Entering its fourth year of operation, the Sports and Entertainment Authority (SEA) remains focused on its vision to be “a leading innovator in sports tourism and entertainment, establishing Henrico and the region as a premier U.S. destination.”

Over the last year, the SEA has navigated from its foundation with a board of directors comprised of county leaders to a community-based board of 7 business and community leaders. These board members provide strategic guidance and oversight of the SEA’s business functions and serve on committees with SEA staff to provide their leadership and expertise to critical organizational functions.

The SEA continues to execute against its five-year strategic plan, which provides a road map focused on five key strategies: Organizational, Financial, Business Operations, Facility, and Community. Each of these strategies come with immediate, mid-term, and long-term initiatives that are the foundation for board discussions and staff alignment. The strategies were formulated from the SEA’s original four key pillars to form the basis for the strategic plan:

- 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

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The authority was very active in bidding on, and winning, future events like the 2027 NCAA Division III Women's Volleyball National Championship, as well as creating owned and operated events like the Division III Men's Basketball Champions Classic and the Labor Day Classic Women's Volleyball event, both of which will take place in 2026. Other highlights include: the first of a three-year agreement with NXTPro PUMA on a July basketball event that resulted in more than 3,500 hotel room nights during a month that hotel operators traditionally see soft sales, as well as leading a partnership consortium to keep professional golf in Central Virginia with the new Korn Ferry Tour Championship and working closely with an outside promoter to bring even more women's basketball to the area with the inaugural 4 Tha Culture event, featuring two Power Four Conference schools – Penn State and Georgia, and lastly, orchestrating the return of the Virginia Sports Hall of Fame Induction Ceremony to Henrico for 2026 and 2027.

The Henrico Sports & Events Center continues to deliver as an economic engine, validated by an independent study that showed 70 percent of the center's visitors for weekend tournaments come from outside the Richmond MSA and that economic output by the center's weekend events reached \$127,886,000 and generated \$12,137,000 in local and state taxes. Events at the Center have also brought the county to national and international television markets with events like the A10 Women's Basketball Tournament and the American Cornhole League National Championship.

Facility projects and public/private partnerships continued in 2025 and into 2026 that will have long-term positive economic impact for the county and region, including the Prep Baseball complex development at Glover Park, Best Products Reimagined, and the Crossings Golf Course. In addition, with the Sports Tourism Fund, the SEA was able to support considerable growth and future opportunities with NOVA Swim Aquatics and Richmond Strikers/Richmond United.

The sports tourism landscape is highly competitive. In particular, localities throughout the state and region have been aggressive about improving existing facilities while also developing and constructing new ones. As a result, there is some migration of annual outdoor events away to other localities, particularly with softball and sports that utilize multipurpose fields such as soccer. Similar to last year, other localities throughout Virginia are either in active construction or planning stages for indoor facilities. These headwinds will further intensify the need for continued facility development and marketing.

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, many other County departments, and County leadership.

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, as well as working with private partners. The County has amazing sports facilities imbedded within its recreation and parks facilities, as well as private facilities, that provide the opportunity for the SEA to bid on and host sports tourism events all leading to providing the economic, social, and cultural impact desired for residents, businesses, and visitors of Henrico.