



SPORTS & ENTERTAINMENT AUTHORITY

HENRICO COUNTY, VIRGINIA

To wit:

A regular meeting of the Board of Directors of the Sports & Entertainment Authority of Henrico County, Virginia, was held at 10:00 a.m. on Wednesday, March 18, 2026, at the offices of the Economic Development Authority of Henrico County, Virginia, at 4300 East Parham Road, Henrico, VA 23228.

DIRECTORS PRESENT

Steven J. Yob, Chair
Peter Farrell, Vice Chair
Jen Kostyniuk, Secretary
Shareema Williams, Treasurer
Todd 'Parney' Parnell
Paula Pando

DIRECTORS ABSENT

Perry Miller

DIRECTORS PARTICIPATING ELECTRONICALLY

OTHERS PRESENT

Dennis Bickmeier, HSEA Executive Director
Dawn Miller, HSEA Staff
Michael McCormack, HSEA Staff
Megan Hazzard, HSEA Staff
Jacque Frame, HSEA Staff
Tom Yeager, HSEA Staff
Rob Welch, HSEA Staff
Heather Grubb, HSEA Staff
Brian Carroll, HSEA Staff
Misty Myers, HSEA Staff
Tavaris Robinson, HSEA Staff
Ryan Murphy, Deputy County Attorney
Will Berryman, Legends Staff

Sara White, Legends Staff
Sarah Dowding, Legends Staff
George Crowell, HHJ Staff

Mr. Yob called the meeting to order at 10:05 a.m.

Approval of Electronic Participation

Mr. Yob informed the Board that no members had requested to participate electronically, and he moved to the next item on the agenda. He announced that Ms. Sarah Dowding from Legends Global was joining the meeting remotely.

Approval of the February 18, 2026, Minutes

Mr. Yob asked if there were any corrections or additions to the minutes of the February 18, 2026, meeting. Hearing none, on a motion made by Mr. Farrell, seconded by Mr. Parnell, the minutes were approved, with Mses. Kostyniuk, Pando, and Williams, and Messrs. Farrell, Parnell, and Yob, all voting "aye".

HSEC FY26/27 Proposed Budget

Mr. Bickmeier introduced Mr. Berryman, Ms. White, and Ms. Dowding.

Mr. Berryman provided an overview of the HSEC FY26/27 Proposed Budget. He stated that the focus for FY27 is to increase revenue while bringing more structure and discipline to the operation.

Food and beverage made a strategic shift by delegating catering to third party caterers. Food and beverage will continue to provide group catering for meetings. The 10% catering discount will allow for leveraging catering sponsorships, reduced staffing, and a focus on higher-margin concession sales.

The proposed increase in expenses is driven by planned facility investments like IT upgrades, flooring, and HVAC which will be applied to the \$300,000 equipment and maintenance fund, managed by Mr. Graves, Project Manager. Staffing remains steady despite increased activity. The Center will operate at a projected \$928,000 loss, but factoring in the \$300,000 from the equipment and maintenance fund will bring the project loss to \$628,000. Overall, the proposed budget reflects growth with structure, improving revenue quality, increasing efficiency, and investing in long-term sustainability.

The budget reflects \$561,000 in discounts which include graduations, US Futsal, and Big Shots.

The Sports & Events Center homeschool basketball event went well and there is a push to add volleyball in the mid-week and return the basketball league which further reduces the budget difference. Dominion Energy and The Lego Group have mid-week events, businesses have social hours at the bar, Dicks Sporting Goods has corporate lunch meetings, and OrthoVirginia has meeting days included in their sponsorship agreements. Mr. Bickmeier reinforced this sentiment by noting that during the March 18, 2026, budget hearing, a Board of Supervisor member asked what a midweek day looks like. Mr. Parnell suggested providing a ChamberRVA report on the success of using the building as meeting space. The FY26/27 sponsorship sales presentations will point out the positive impact of media coverage and economic impact on businesses. In addition, Placer AI will provide data regarding guests' foot traffic for retail, hotel accommodation, and transportation. Mr. Yob noted the diversity of sports being televised, which offers industries additional opportunity for exposure.

The Board is scheduled to approve the Sports & Events Center proposed FY26/27 budget during April 15, 2026, Board meeting.

HSEC FY25/26 2nd Quarter Financial Statement Review

Mr. Berryman presented the FY26 Second Quarter Financials. The first half of the fiscal year shows strong performance driven by increased utilization, revenue growth, and improved operational results. December generated approximately \$186,000 in event income, more than double the budget, supported by strong rental demand and concession performance. The adjusted gross income was approximately \$202,000 despite timing variances in sponsorship revenue. Expenses rose in maintenance, utilities, and insurance due to higher facility usage and seasonal factors. Labor costs remain favorable due to effective staffing efficiencies. December concluded with an adjusted net loss of approximately \$31,000, outperforming budget projections. Year-to-date event income of \$875,000, nearly doubled budgeted expectations. The adjusted net loss is approximately \$424,000 compared to a budgeted \$742,000 loss, reflecting substantial outperformance. Overall, the facility continues to demonstrate strong demand, revenues exceed forecasted amounts, expenses are being managed effectively, and ongoing investment in the facility supports operational stability.

Ancillary revenue was good. Big Shots event cancellation resulted in an approximate concessions loss of \$20,000 to \$25,000.

Ms. Dowding stated that the annual insurance column will not have any further activity and that the insurance expense line has been corrected for future budgets.

HSEA FY25/26 2nd Quarter Financial Statement Review

Mr. Crowell presented the FY26 2Q financial results compared to updated FY26 1Q. Total assets increased by \$583,600 to \$7,150,000 driven primarily by an \$800,400 increase in cash and bank accounts, including a \$603,200 increase in the Truist operating account. For the quarter, revenue

decreased by \$20,200 to \$977,600 while expenses increased by \$69,000 to \$426,500, resulting in net income of \$551,200, down \$89,100 from the prior quarter. Higher payroll and increased advertising, travel, and training expenses were the primary expense drivers. Budget-to-actual review identified significant favorable variances in the Virginia Retirement Services, temporary wages, and payments to other organization. Management will validate budget assumptions and account coding, follow up on quarter-end payables, clearing balances, and the large gross sponsorship and event transactions.

Resolution – Signatory Authority – Promotional Partner Agreement – Richmond Raceway

Mr. Bickmeier introduced the resolution authorizing a promotional partner agreement between the SEA and the Richmond Raceway. In exchange for \$50,000, the Raceway has offered various promotional rights and opportunities to the SEA in connection with the NASCAR Craftsman Truck Series and NASCAR Cup Series. This major event is scheduled for August 14-15, 2026. Benefits to the SEA include the following: Promotional Collateral, such as a Video Scoring Tower advertisement; On-Site Signage; Tickets, Credentials and Passes, such as 200 reserved grandstand admission tickets; Hospitality, such as a 60-person executive suite; and 20 pace car rides. The complete list of benefits is in Exhibit C to the Promotional Partner Agreement. The first payment of \$25,000 will be due by July 1, 2026, and the second payment of \$25,000 will be due by August 1, 2026. It was noted that SEA Counsel had reviewed the agreement, and that SEA staff recommended approval of the resolution.

Mr. Bickmeier noted that this is a longstanding agreement between Richmond Raceway and the County. The Division of Recreation and Parks used to manage this agreement, but it now is administered by HSEA.

Mr. Yob asked if there were any questions. Hearing none, and on a motion by Ms. Williams, seconded by Mr. Farrell, the motion passed, and the resolution was approved, with Mses. Kostyniuk, Pando, and Williams, and Messrs. Farrell, Parnell, and Yob all voting “aye”.

Resolution – Signatory Authority – Utility Easement – 490 Scott Road

Mr. Murphy stated that the County had requested that HSEA grant the County a permanent utility easement and temporary construction easement for utility service to Level Green, which is the residential portion of “Best Products Reimagined” under development by Markel | Eagle. The temporary construction easement terminates automatically when the work is complete. The easements are along the northern boundary of the property, as shown on the plats. The resolution before the Board authorizes the Executive Director to sign a deed of easement granting the easements to the County.

Mr. Yob asked if there were any questions. Hearing none, and on a motion by Mr. Farrell, seconded by Ms. Williams, the motion passed, and the resolution was approved, with Mses. Kostyniuk, Pando, and Williams, and Messrs. Farrell, Parnell, and Yob all voting “aye”.

Committee Reports

Marketing & Guest Services

The committee did not meet since the last Board meeting.

Facilities / Events

The committee did not meet since the last Board meeting.

Strategic Planning

The committee did not meet since the last Board meeting.

Finance

Ms. Williams reported on the February 10, 2026, committee meeting. She stated that the November 18, 2025, meeting minutes were approved. The Committee reviewed recent hires and organizational changes, HSEA's and the Sports & Events Center's proposed FY 26/27 budgets and the 2Q financials. The members discussed the potential revenue loss due to weather-related circumstances and potential insurance coverages to limit the loss. Staff was directed to follow up with Marsh McLennan Agency on the possible coverages. The FY24/25 audit was discussed. Ms. Williams reported that the next meeting is scheduled for May 8, 2026.

HSEA Team Monthly Report

Mr. Bickmeier offered the SEA Team monthly report to the Board. He stated that the A-10 Women's Basketball Championship week was a success and the teams have begun recap meetings. Fourteen thousand tickets were sold and the revenue is up year over year. 2026 had more corporate involvement and the sponsorships were beneficial. This championship not only builds up support for women's basketball but also basketball in general. There was a good vibe in the Center, and it looked good on television. Mr. Bickmeier spent time with outgoing commissioner Bernadette McGlade and discussed how to take more of a bowl game approach and to have related activities throughout the year to help build up to the championship week. He would like to keep the brand in the market and in the public eye. The A-10 agreement is through 2029.

Mr. Bickmeier noted that HSEA had eight tournaments for February but two were cancelled due to weather. The economic impact was \$6.6 million compared to \$7.3 million in 2025. He noted that once the Tyrant Wrestling numbers are provided, the economic impact can be recalculated.

Henrico County's January hotel occupancy was 53.6%, a 0.9% decrease year over year. The average daily rate was \$104.02, an increase of 1.7% year over year. The RevPAR was \$55.79, an increase of 0.8%. The overall occupancy in the region was 54.1%, an increase of 1.9% and average daily rate was up 1.0% to \$107.27. The City of Richmond hotel occupancy was up 0.8% (54.6%). Chesterfield occupancy was up 0.5% (56.9%). Hanover occupancy was down 5.9% (51.7%). Mr. Bickmeier noted that weather impacts travel.

The Jefferson Cup has played for two weeks and two weeks remain. College coaches will be present during these next two weeks. Mr. McCormack said that fields are being used across the county and that all is going well. Schedules were altered due to air travel impacts.

A look into March's indoor events include Virginia AAU Grand Prix volleyball and Big Shots Richmond ShowTime with Ralph Sampson, who is expected to be in attendance.

Marketing's social media had 63 posts, the website gained 39 new followers and had 87,907 page and profile impressions. Marketing's focus was on promoting the A-10 Championship week with its next push for the Labor Day Volleyball Classic, and a final push for the Virginia Sports Hall of Fame ticket sales. Mr. Bickmeier highlighted the printed Sports Planning Guide article regarding the impact of the Sports & Events Center's community revitalization impact. The Business Development team continued with prospecting new promoters and events as well as event recaps. The HSEA team actively attended networking events. Once again, HSEA worked alongside Glen Allen and Deep Run high school marketing classes as the students worked on A-10 related projects. Both school's classes toured the Sports & Events Center.

Old Business

Mr. Bickmeier provided an update on the weather-related risk insurance coverage. Mr. Murphy stated that the cost of insurance is expensive and that the most cost-effective option for HSEA to mitigate the potential loss would be to make some minor adjustments to the use agreement form. The HSEA and Legends Global teams will determine how to reduce the food and beverage loss.

New Business

Mr. Murphy introduced a resolution for the Amended and Restated Lease and Development Agreement for PBR Tournaments VA Diamonds. This amendment came together quickly just before the meeting, and HSEA staff wanted to take the opportunity to present it at this meeting to keep the project's momentum growing. In short, the parties recognized that permitting and contracting delays have thrown off the project's timeline. The amended and restated lease and development agreement resets the timeline, clarifies the lease and rent commencement dates, and streamlines rent payments. SEA required some upgrades to PBR's planned artificial playing surface and will reimburse PBR for the costs of those upgrades. Responsibilities remain allocated as before: PBR is responsible for construction of the cloverleaf, while the County will construct the half-cloverleaf. After construction, PBR is responsible for maintenance, repairs, and operations.

Mr. Yob asked if there were any questions. Hearing none, and on a motion by Ms. Williams, seconded by Mr. Parnell, the motion passed, and the resolution was approved, with Mses. Kostyniuk, Pando, and Williams, and Messrs. Farrell, Parnell, and Yob all voting "aye".

Closed Session

Mr. Yob moved that the Board go into closed session as follows:

1. Pursuant to Virginia Code § 2.2-3711(A)(3) & (A)(5), for a briefing of the Board members and discussion of the disposition of publicly held real property to a prospective business, the identity of the offeror, the offeror's proposed development, reserved rights, contingencies, financing, and other terms under negotiation, where discussion in an open session would adversely affect the bargaining position and negotiating strategy of the Sports and Entertainment Authority and other public bodies and no previous announcement has been made of the prospective business's interest in locating its facilities in the County; and

2. Pursuant to Virginia Code § 2.2-3711(A)(3) & (A)(5), for a briefing of the Board members and discussion of the disposition of publicly held real property to prospective businesses, the businesses' proposed development, contingencies, financing, and other terms under negotiation, where discussion in an open session would adversely affect the bargaining position and negotiating strategy of the Sports and Entertainment Authority and other public bodies and no previous announcement has been made of the prospective businesses' interest in locating facilities in the County.

Ms. Williams seconded the motion, and with Mses. Kostyniuk, Pando, and Williams, and Messrs. Farrell, Parnell, and Yob all voting "aye", the Board entered closed session.

When the closed session discussion was completed, Mr. Yob moved that the Board exit the closed session and return to open session. Mr. Farrell seconded the motion, and with Mses. Kostyniuk, Pando, and Williams and Messrs. Farrell, Parnell, and Yob all voting "aye", the Board returned to open session. Then, after returning to open session, Mr. Yob read the following Certificate of Closed Meeting into the record:

WHEREAS, the Sports and Entertainment Authority of Henrico County, Virginia, has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Board that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED that the Board certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the Board.

Mr. Yob moved that the Board certify the closed meeting in accordance with the Certificate of Closed Meeting. Mr. Farrell seconded the motion, and with Mses. Kostyniuk, Pando, and Williams, and Messrs. Farrell, Parnell, and Yob all voting "aye," the Board certified the closed meeting.

Adjourn

There being no further business, the meeting adjourned at 11:30 a.m.

A handwritten signature in black ink, consisting of a large, stylized 'J' followed by a cursive 'K' and a long horizontal flourish extending to the right. The signature is written over a thin horizontal line.

Jen Kostyniuk
Secretary