



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, September 18, 2024, 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
Shareema Williams, Treasurer
Todd 'Parney' Parnell
Perry Miller
Paula Pando

DIRECTORS ABSENT

Jen Kostyniuk, Secretary
Peter Farrell, Vice-Chair

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
Rob Welch, HSEA Staff
Heather Grubb, HSEA Staff
Ryan Murphy, Deputy County Attorney
Matt Chafin, Deputy Director of Finance
Aaron Shaber, ASM Global Accounting Manager

Mr. Yob called the meeting to order at 10:01 a.m.

Approval of the August 21, 2024, Minutes

Mr. Yob asked if there were any corrections or additions to the minutes of the August 21, 2024, meeting. Hearing none, with a motion by Ms. Williams seconded by Mr. Parnell, the motion passed, and the minutes were approved with Mses. Pando and Williams and Messrs. Miller, Parnell, and Yob all voting "aye".

Sports & Events Center 23/24 FYE Financial Review

Mr. Bickmeier invited Mr. Chafin, Deputy Director of Finance and Mr. Shaber, Henrico Sports & Events Center Accounting Manager to review the Sports & Events Center 23/24 FYE financial reports. Prior to the review, Mr. Shaber provided a brief professional background of his ASM Global employment of nine years at John Paul Jones Arena and the past year at the Sports & Events Center.

Mr. Shaber stated that 23/24 fiscal year ended 1.7% over budget. Some of the variance was attributed to underestimated utility cost, general liability coverage, wages, and the center's maintenance expenses. These expenses will be adjusted in the second- and third-year budgets. The 2024-2025 budget will be based on the 2023-2024 budget, plus the adjustments based on experience.

Mr. Chafin noted that both income and revenue were below budget. A budget revision will be made next month for the 24/25 fiscal year to reflect actuals. In addition, the food and beverage budget will be revised to reflect the estimated number of spectators and participants by event type based on experience.

Mr. Yob inquired about determining what events are a good fit for the center. Ms. Hazzard answered that to ensure the facility was booked, 2-year contracts were issued. She noted that not all groups will return and that HSEA has learned a great deal about which events and groups are a good fit for the center. Mr. McCormack added that HSEA is learning which promoters and events accurately estimate participant and attendee information.

Certain dates are premium dates. Mr. Welch said that the operations team is gaining experience managing concurrent events and segmenting the building to accommodate multiple events on those premium dates.

Ongoing development in the vicinity of the center, including new apartments and two hotels, is expected to drive foot traffic and demand for weekday leagues.

Mr. Bickmeier thanked Mr. Shaber and Mr. Chafin. He noted that the current budget was developed based on feasibility studies and comparison to other similar municipal facilities. Mr. Bickmeier noted that the merger between ASM and Legends and the uniqueness of the center will benefit the County's

focus on sports tourism development. He noted that experience will lead to more accurate budget development and further noted anticipated utility savings due to HVAC upgrades to the center, including installation of a central control system to eliminate the individual controls throughout the building.

Business Development Presentation

Mr. Bickmeier invited Ms. Hazzard and Mr. McCormack to present HSEA's Business Development team and efforts. Graduate Assistant Brendan Abbott is enrolled in the Virginia Commonwealth University Sports Leadership program and is a vital member of the Business Development team.

Ms. Hazzard, whose professional background began with the Richmond Convention Center and includes 13 years at Richmond Raceway before joining HSEA, explained that the Business Development team works with clients who manage indoor and outdoor tournaments and works on scheduling a variety of future events. She noted HSEA's many partnerships that assist with bringing events to the County.

Mr. McCormack, whose professional background includes 14 years with Henrico County, stated that he managed local youth and adult tournaments as an employee of the County's Division of Recreation and Parks. He stated that to attract events effectively and compete with other localities, it is necessary to have both quality facilities and a critical mass of facilities. The Sports & Events Center has become the cornerstone of the County's facilities due to the number of quality courts at the center. The County is pursuing the same strategy in outdoors sports: Pouncy Tract and Glover Park provide quality, and Glover Park's expansion will provide the necessary quantity. He anticipates the expansion will allow 100-plus baseball tournaments to be held in one location. Henrico County is a premier location for the country.

Ms. Hazzard highlighted HSEA's partnerships. Some partnerships are local and bring weekday play. Many local school systems are booking graduation and other ceremonies at the Sports & Events Center, such as Henrico County Public Schools' 2024 Convocation kickoff. The Virginia Sports Hall of Fame has its only local display case at the Sports & Events Center. The 2024 Virginia Hall of Fame ceremony was held at the center in April 2024. She noted the uniqueness of the center allows for a wide variety events from sports to professional conventions, such as the VCU Real Estate Trends Conference that will host 1500 attendees in October.

Partner Prep Baseball Report is the anchor tenant at the Glover Park expansion and will manage baseball tournaments and the new fields.

Often event bids consist of a collaborative effort with Richmond Region Tourism. HSEA and RRT recently won the following bids: multiyear events with the National Wheelchair Basketball Association, a basketball event which will be held at the Convention Center and the Sports & Events Center, and the Amateur and Pro Series Cornhole tournament. The region needs additional hotel rooms to host certain events. The Business Development team books future events, while the ASM team books events that fall within 90 days of the event date.

Mr. Parnell inquired about homegrown events. Mr. Bickmeier replied that the Atlantic 10 Women's Conference basketball game between University of Richmond and Columbia is one example of a

homegrown event. He noted that HSEA and ASM recognize that owning and operating events diversifies the portfolio of events and reduces reliance on promoters.

Mr. McCormack cited examples of outdoor tournaments won through bid processes: USA Softball which hosts five events, 12u and 18u baseball championships, archery, CIAA Women's Softball, National Junior College Athletic Association marathon, and Major League Fishing.

The Business Development team attends sports related conferences throughout the year offering valuable one-on-one meetings with promoters.

Mr. Yob noted the 5k trail at Glover is under construction along with the other facilities in the park's expansion. The trail will offer connectivity and can be used to host regional cross-country meets. Greater Richmond Transit is adding a bus stop that will connect out to VCC.

Amendment to the Bylaws

Mr. Murphy introduced a proposed amendment to the Amended and Restated Bylaws. He noted that the proposed revision renames the Marketing Committee as the "Marketing and Guest Services Committee" to reflect the scope of HSEA's mission and the committee's purpose.

Mr. Yob asked if there were any questions. Hearing none, Mr. Yob asked for a motion. On a motion to approve the amendment to the Amended and Restated Bylaws by Mr. Miller, seconded by Ms. Williams, the motion passed, and the amendment to the Amended and Restated Bylaws was approved, with Mses. Pando and Williams and Messrs. Miller, Parnell, and Yob all voting "aye".

Committee Reports

Marketing

Ms. Miller reported on the August 26, 2024, committee meeting. Ms. Kostyniuk is serving as committee chair. The committee discussed adding "Guest Services" to the committee's name to reflect the full scope of the committee's mission. The members reviewed the August media and podcast events. Future podcast guests were discussed. The A10 Local Organizing Committee has met and has two new members.

Ms. Grubb provided an update on the Sports & Events Center guest services policies and procedures. Ms. Grubb attended the Disney Guest Services conference. This training has assisted her in training staff on guest services. Guest Services has long term priorities that will align with the strategic plan. Cheer & Gear equipment donation promotions were reviewed.

Ms. Miller announced that HSEA was the recipient of the Virginia Restaurant Lodging Travel Association Ordinary Award for Attraction of the Year for the state. The Sports & Events Center is nominated for a Teams national attraction award.

Facilities / Events

Mr. Parnell reported that the next committee meeting is scheduled for October 8, 2024.

Strategic Planning

Ms. Pando reported that the next meeting will be held in October.

Finance

Ms. Williams reported on the August 17, 2024, committee meeting. The center is slightly ahead of budget due to one added event. She stated that budget assumptions will be made and that there will be revisions for the FY25/26 budget. Salary increases will be added to the budget revision. Other discussion items included: allocating event costs, event profitability, current revenue streams (such as facility fees) and potential revenue streams (such as parking fees and additional league play). A tiered-rate structure for the Sports & Events Center was discussed. Staff is researching naming rights for the center. The next meeting is October 11, 2024.

SEA Team Monthly Report

Mr. Bickmeier offered the SEA Team monthly report to the Board.

He reviewed the September 10, 2024, tourism spending release that provided details on the \$1.9 billion of visitors' spending in Henrico County in 2023, the 5th highest in the state. Spending on lodging, meals, and transportation increased by 9.2% from 2022. Hotels coming online in Henrico County include 1800 hotel rooms currently under construction.

The Sports & Events Center received the Virginia Restaurant Lodging Travel Association Attraction of the Year. The center was recently awarded the 2024 CoStar Commercial Development of the Year.

The Sports & Events Center is undergoing maintenance September 12th – 26th. The court flooring will undergo screening and some general maintenance like painting high traffic areas.

The County has multiple upcoming events at the center, including the State of the County, Recovery Day, and a multijurisdictional Purchasing Expo.

August had a good variety of outdoor events: archery, fishing, baseball, softball, and volleyball. The month saw a year over year increase of individual sports, which is reflected in the slightly increased economic impact of \$3.9 million compared to \$3.2 million in 2023.

HSEA and the Economic Development Authority of Henrico County will manage the County's sports tourism grants fund. The fund will utilize tourism funds generated by tourism to develop new tourism initiatives. Annually, \$2 million will be allocated to suitable sport organizations.

Pros Inc. has submitted the Crossings redevelopment design. There will be a variety of events including capital campaigns. There is discussion about renovating the old club house into a restaurant to generate revenue. The course provides great opportunities, including the goal of retaining the PGA tournament.

The Outdoor Athletic Complex, OAC, adjacent to the GreenCity development, is active with St. Gertrude's sports and a fall practice schedule. Mr. Welch is working on the OAC infrastructure easements for GreenCity contractors. HSEA is actively engaged with the GreenCity developers.

The NOVA Swim Aquatics development plan submittals are in progress. Construction is scheduled to begin in the later part of 2024. The project's completion is critical for bids to be submitted for 2026 events and beyond.

HSEA is busy with planning for the State of the County, the A-10 Women's Basketball game, a HSEA-owned and operated game that is scheduled for December 8, 2024. The regional high school basketball tournament, 804 Coaches for Change is returning for the second year. The Sports & Events Center's one year anniversary celebration is being planned.

The contractual Atlantic 10 Women's Conference December 8th game weekend will be branded the Holiday Cheer & Gear Classic. This revived ESPN Radio program is a local equipment donation drive taking place on game day, December 8th. The donation drive may add an offsite location on Saturday, December 7, 2024. The American Cornhole Championship will be held at the center December 6th and 7th.

Mr. Chafin announced that the County is hosting the October 16th Purchasing Expo event focusing on Small, Women, and Minority-owned businesses. There is a modest registration fee to cover expenses. He invited the Board members to share within their networks. Mr. Chafin will provide event information by email.

Old Business

None.

New Business

Mr. Bickmeier informed the Board that the County Manager will visit the October 16, 2024, Board of Directors meeting.

Adjourn

There being no further business, the meeting adjourned at 11:22 a.m.



Jen Kostyniuk
Secretary