



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, December 20, 2023, at the offices of the Economic Development Authority of Henrico County, Virginia, at 4300 East Parham Road, Henrico, VA 23228.

DIRECTORS PRESENT

Marielle McFarland, Secretary
J. Oscar Knott
Vaughan Crawley, Vice Chair
Sheila S. Minor, Treasurer
Steven J. Yob, Chair
Yvette D. George

DIRECTORS ABSENT

DIRECTORS PARTICIPATING ELECTRONICALLY

OTHERS PRESENT

Dennis Bickmeier, HSEA Executive Director
Michael McCormack, HSEA Staff
Megan Hazzard, HSEA Staff
Jacque Frame, HSEA Staff
Heather Grubb, HSEA Staff
Rob Welch, HSEA Staff
Sandra Fuentes, R&P Staff
Tom Yeager, HSEA Staff
Ryan Murphy, Deputy County Attorney
Matt Chafin, Deputy Director of Finance
Brandon Hinton, Deputy County Manager

Mr. Yob called the meeting to order at 10:04 a.m.

Approval of the November 6, 2023, and November 15, 2023, Minutes

Mr. Yob asked if there were any corrections or additions to the minutes of the November 6, 2023, and November 15, 2023, meetings. Hearing none, with a motion by Ms. George, seconded by Mr. Knott, the motion passed, and the minutes for both meetings were approved with Mses. McFarland, George, and Minor and Messrs. Crawley, Knott, and Yob all voting "aye".

Resolution – Signatory Authority – Sponsorship Agreement – Coca-Cola

Mr. Murphy introduced this resolution, which authorizes the Executive Director to sign a sponsorship agreement with CCBCC Operations LLC. Under the sponsorship agreement, CCBCC would be the exclusive beverage products provider at the Henrico Sports & Events Center with the exception of coffee. The sponsorship agreement has a five-year term. Mr. Murphy noted that the Board of Directors previously approved a sponsorship policy authorizing the Executive Director to sign certain non-exclusive sponsorship agreements. ASM will buy and sell CCBCC products, and ASM's food and beverage division will control pricing.

Mr. Yob asked if there were any questions. Hearing none, on a motion made by Ms. Minor, seconded by Ms. McFarland, the Board approved the resolution and awarded the contract to CCBCC Operations, LLC, with Mses. George, Minor, and McFarland, and Messrs. Crawley, Knott, and Yob all voting "aye".

ASM / Sports & Events Center FY23/24 and FY24/25 Budgets

Mr. Bickmeier introduced the ASM / Sports & Events Center FY23/24 and FY24/25 budgets. He recognized the efforts required to prepare these budgets. He thanked the Finance team, Matt Chafin, Blue Bell, Sandra Fuentes, and Aaron Shaber, ASM Accounting Manager. Mr. Bickmeier introduced Mr. Chafin to provide an overview of the budgets.

Mr. Chafin thanked the SEA staff, the County's Finance team and the ASM team. He acknowledged the teams' great work and proceeded to present the FY23/24 and FY24/25 budgets for the Sports & Events Center.

Mr. Chafin began by noting that ASM had prepared the budgets with input from SEA staff and that SEA staff, the County's Finance team, and the HSEA Finance committee had reviewed and approved both budgets. He explained that revenue inputs included signed rental contracts, contracts in negotiation as of December 2023, contracts expected to recur in FY25, and event attendance estimates from promoters. Expense inputs included staffing costs, estimated utility costs, event attendance estimates, and food and beverage margin assumptions. He emphasized that the budgets were conservative and

that revenue diversification opportunities existed. He concluded by summarizing the initial funding summary and effects of budget approval. He explained that approval would authorize initial funding for operations at the Henrico Sports and Events Center in the amount of \$1,025,594, allow ASM to assume operations, and support revenue generating activities.

Mr. Bickmeier noted that the parties would have monthly and quarterly reviews allowing for true ups and coordination through the fiscal years.

Ms. McFarland thanked Mr. Chafin for his dedication and thoroughness during this budget process.

Mr. Yob asked if there were any questions about the FY23/24 budget. Hearing none, on a motion by Ms. Minor, seconded by Mr. Knott, the Board approved the FY23/24 budget with Mses. George, Minor, and McFarland, and Messrs. Crawley, Knott, and Yob all voting "aye".

Mr. Yob asked if there were any questions about the FY24/25 budget. Hearing none, on a motion by Ms. Minor, seconded by Mr. Knott, the Board approved the FY24/25 budget with Mses. George, Minor, and McFarland, and Messrs. Crawley, Knott, and Yob all voting "aye".

Board of Directors Handbook Review

Mr. Bickmeier introduced the Board of Directors Handbook draft version. He noted the handbook includes the FOIA and COIA regulations but due to the length of each, they were not printed. It was noted that the Investment Policy and Strategic Plan Implementation sections are still a work in progress.

Mr. Bickmeier informed the Board of Directors that the handbook needs to be provided to the incoming Board of Supervisors for their reference as they consider future appointments. The handbook draft will be provided to Tanya Brackett, Assistant to County Manager for Board Affairs/Clerk to the Board of Supervisors, so that she can assist the Board of Supervisors with appointments. New HSEA Board members are expected to be sworn in by March 2024. April 2024 is expected to be their first Board of Directors meeting. Mr. Crawley noted that the Finance Committee's purposes and objectives will change to include Investment Policy responsibilities.

Recommended edits to the handbook were to correct Mr. Crawley's title to reflect Director of Internal Audit on the 2024 Board Directors page; change consultants to County Support Staff on the 2024 HSEA Board Committees section. It was suggested to add a draft version date to the document. Pending these changes, Mr. Bickmeier will provide the handbook draft and an accompanying letter to Ms. Brackett. The final draft will be presented at the January 2024 Board meeting.

If additional edits are desired, the Board is to alert Mr. Bickmeier and Ms. Frame.

It was noted that if needed, the Human Resources Ad Hoc Committee will be created.

Committee Reports

Marketing

Mr. Yob reported on the December 14, 2023, committee meeting. The Committee discussed Sports & Events Center ADA parking modifications, Ticketmaster fees, and bottlenecks at the scorer's table. The Committee recognized a likely need for another concessions station, possibly on the west side. Mr. Bickmeier said that the west side has not been opened since HSEA does not have a Letter of Occupancy for that portion. The westside concession and mezzanine will be available once the Letter of Occupancy is received. During the Committee meeting, Dave Letourneau, County Support Staff for the Committee, reported that the VCU / Delaware Women's Basketball game attendance was fourfold typical attendance at a game played at the Seigel Center. It was a good event. Acoustical concerns are being addressed. The Committee suggested considering business uses for the lounge areas. A capital request for turf replacement at outdoor turf fields and restrooms at Glen Allen Complex was submitted.

Facilities / Events

Ms. McFarland reported on the December 18, 2023, committee meeting. The Committee reviewed November and December events. She reported the Highland Games had over 20,000 attendees. The event will return in 2024. A temporary cell tower will be considered to reduce the overload. First events hosted at the Sports & Events Center include the Richard Bland Statesmen Classic, New Breed Jiu Jitsu, Rubik's Cube Virginia State Championship, State of the County, and Team Loaded events. The Reindeer Rumble Volleyball Tournament had 2000 PPJ pizzas sold and \$10,000 in sales at the concessions stand. The Center is receiving good reviews and also useful suggestions from the public. Upcoming events include Futsal RVA League events, 804 Coaches for Change, and the January 5, 2024, Basketball Camp for kids. Mr. Bickmeier will send a County-government-wide email about the camp to boost registrations. The second-floor space rental has been paused. The Center is in a breaking in phase, and SEA is looking into how to best utilize this space. Mr. Bickmeier noted that this area is being considered for promoters, vendors, and teams use. The Glover Park project will be on the January 9, 2024, Board of Supervisors agenda. SEA staff are working on three NCAA Division III event bids for the Sports & Events Center.

Strategic Planning

Mr. Knott reported that SEA staff have completed the Diversity Equity & Inclusion statement which will accompany the existing Vision and Mission statements. SEA staff has a Strategic Planning meeting scheduled for January.

Finance

Mr. Crawley reported on the December 14, 2023, committee meeting, which focused on the ASM budgets for the Sports and Events Center. The also committee discussed the Investment Policy and the Finance Committee's role in SEA's Operating Budget. Mr. Hinton confirmed SEA practices should mirror the Economic Development Authority's practices. Therefore, the Finance Committee will review and recommend the budget to the full Board of Director after it has been adopted by the Board of Supervisors. Mr. Yob agreed with this process. Mr. Bickmeier noted the Economic Development Authority's successes and agreed SEA should follow its lead.

Ms. Minor noted that ASM budget incentives for the future three plus years need to be conservatively and realistically projected. ASM Global will not receive their incentive if the revenue mark is not obtained.

SEA Team Monthly Report

Mr. Bickmeier offered the SEA Team's Monthly Report to the Board.

Mr. Bickmeier noted that the SEA and ASM teams have been getting the building up and running. The Monday – Thursday schedule has picked up with consistent users. ASM has adapted to the staffing requirements and is pleased with the staffing of a night manager to cover weeknight events. This allows the teams to build a relationship with the same working staff. ASM has employed part-time staff. The Sports and Events Center had a soft opening and the Richmond Strikers had three consecutive weekends of outdoor tournaments. There were six other tourism events in the building. Economic Impact was \$7.4 million in 2022 and \$8.3 in 2023. There was an uptick with out-of-town attendees that helped push the numbers up and January will increase further.

The December 11 VCU and Delaware women's basketball game at the Center helped with planning for the A-10 Championships in March. Staff learned a lot about the court layout, such as measuring and balancing of goals. The Sports and Events Center parking was stressed with the River City Reindeer Rumble. Only about 450 spaces remained vacant. The Center has two big events in January, which will test parking logistics. The American Cornhole Championship event sold alcohol by a third-party banquet license.

Discussions have begun for tracking event attendance. Barbara Weedman will email resource information. SEA staff met with an event attendance tracking company. This data is being asked for by SEA partners for COI needs.

Marketing is a big part of our schedule and site visits are still occurring. The first two of many podcasts have been recorded and released. Non-sports events in the Center are providing good feedback, The Virginia Sports Hall of Fame announcement drove a lot of press in addition to the Community Celebration.

Mr. Yob inquired about a VCC area association. Mr. Bickmeier responded that the business round table is an idea and discussions were initiated following the September Business Town Hall. SEA staff will be participating in meetings with other VCC business owners and neighbors. This will promote the opportunity to continually update the group on the property's construction timeline.

Mr. Bickmeier reported that All Star Boulevard will be closed for public utilities work to prep for apartment and condo construction in the vicinity. This needs to be communicated to teams and promoters as it will be a challenge for events and 2024 graduations.

Mr. Hinton inquired about determining the ESPN+ streaming numbers for the 12/11 VCU / Delaware game. Ms. Miller will look into capturing the number. She said that the media mentioned the Sports & Events Center 270 times over the past 30 days.

Old Business

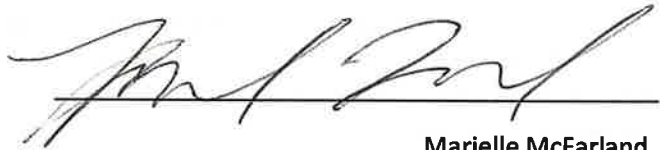
None.

New Business

SEA will consider a discreet plaque recognizing the founding SEA Board members in the Sports & Events Center.

Adjourn

There being no further business, the meeting adjourned at 11:13 a.m.

A handwritten signature in black ink, appearing to read 'Marielle McFarland', written over a horizontal line.

Marielle McFarland
Secretary