

14. Resolution authorizing the City of Grand Rapids-Kent County Convention/Arena Authority to enter into an Agreement with ASM Global for Management Services.



Item Number: 14

CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

DATE: December 17, 2024

TO: Mark Washington, City Manager

COMMITTEE: Community Development Committee
LIAISON: Mary Kate Berens, Deputy City Manager

FROM: Mary Kate Berens, Deputy City Manager
Executive Office

SUBJECT: **Resolution authorizing the City of Grand Rapids-Kent County Convention/Arena Authority to enter into an Agreement with ASM Global for Management Services.**

ASM Global currently provides management services for Van Andel Arena and DeVos Place. ASM Global also provides food & beverage services for Van Andel Arena. The CAA intends to extend these services to include the Acrisure Amphitheater and Amway Stadium.

Under the proposed agreement, ASM Global will provide a full range of day-to-day management and operational services for the CAA facilities, which will include event marketing, sales, operations, finance, food service, event booking, guest services, facility maintenance, and capital planning. .

As part of this agreement, ASM Global will contribute \$20 million to be used as follows:

- \$4 million to be used to upgrade food and beverage equipment, technology, and other enhancements to the Van Andel Arena;
- \$11 million for other capital obligations of the CAA;
- \$5 million to assist in growing the CAA's capital reserve

The term of the new agreement will be 15 years, beginning July 1, 2026, and continuing through June 30, 2041. The agreement includes one additional 10-year renewal option that may be exercised upon mutual agreement. Under Article X(e) of the CAA's Articles of Incorporation, Kent County and the City of Grand Rapids are required to approve all agreements, obligations, or commitments by the CAA that are more than five years in duration. The attached resolution authorizes the CAA to enter into this agreement. Kent County approved the agreement at its meeting on December 5.

Your COMMUNITY DEVELOPMENT COMMITTEE recommends the adoption of the following resolution authorizing the City of Grand Rapids-Kent County Convention and Arena Authority to enter into an Agreement with ASM for Management Services.

WHEREAS:

1. The Grand Rapids-Kent County Convention and Arena Authority (“CAA”) has an existing contractual relationship with ASM Global to provide a full range of management services for Van Andel Arena and DeVos Place; and
2. The CAA intends to expand that relationship to include the Acrisure Amphitheater and Amway Stadium; and
3. As part of this agreement, ASM Global will contribute \$20 million to support upgrades, capital costs and reserves; and
4. The term of the agreement will be 15 years beginning on July 1, 2026, with one 10-year renewal option that may be exercised upon mutual agreement; and
5. Under Article X(e) of the CAA's Articles of Incorporation, Kent County and the City of Grand Rapids are required to approve all agreements, obligations, or commitments by the CAA that are more than five years in duration; therefore

RESOLVED that the City of Grand Rapids City Commission authorizes the City of Grand Rapids-Kent County Convention/Arena Authority to enter into an agreement with ASM Global to provide a full range of management services for all of its facilities.

CORRECT IN FORM

DEPARTMENT OF LAW