

RESOLUTION NO. A-\_\_\_\_\_

1 WHEREAS, the City owns and holds Pershing Municipal Auditorium for the benefit of  
2 the citizens of the City of Lincoln; and

3 WHEREAS, the Auditorium is a significant asset and is an integral part of the City's  
4 efforts to provide services in the public interest for the betterment of the community; and

5 WHEREAS, the Auditorium has operated with a significant historical deficit requiring  
6 outlays of public funds to subsidize its operations; and

7 WHEREAS, the Auditorium's overall usage and efficiency could be improved by an  
8 infusion of private resources including capital, management services, marketing services,  
9 entertainment services, administration services, and procurement services; and

10 WHEREAS, SMG, a Pennsylvania general partnership, which is indirectly and jointly  
11 owned by Hyatt Hotels (FMG Partners) and ARAMARK Corporation (ARA Facilities  
12 Management), 701 Market Street, Philadelphia, PA, has extensive skill, expertise and experience  
13 in management services, marketing services, entertainment services, administration services, and  
14 procurement services, and is willing to capitalize a concessions improvement fund and a study to  
15 identify limited aesthetic improvements of the Auditorium; and

16 WHEREAS, SMG has represented that it believes it can improve the historical subsidy  
17 and lessen the City's subsidy required for the operation of the Auditorium; and

18 WHEREAS, the City desires to engage SMG to manage and operate Pershing Auditorium  
19 and SMG desires to accept such engagement.

20 NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lincoln,  
21 Nebraska that:

1           1.       The Mayor is authorized to enter into a management agreement with SMG to  
2 provide for management, marketing, entertainment, administration, and procurement services for  
3 the Pershing Municipal Auditorium upon terms and conditions as provided in the attached  
4 agreement.

5           2.       The City shall pay the expenses of operating the Auditorium as provided in the  
6 agreement.

7           3.       SMG shall establish and fund a concessions improvement fund of \$150,000, a  
8 marketing fund of \$25,000, and a limited aesthetic improvements study for not to exceed  
9 \$20,000 as provided in the agreement.

Introduced by:

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Approved as to Form and Legality:

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City Attorney

Staff Review Completed:

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Administrative Assistant