

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE FINANCE AND ECONOMIC RESILIENCY COMMITTEE, AND APPROVING AN AGREEMENT BETWEEN THE CITY OF MIAMI BEACH AND THE GREATER MIAMI CONVENTION & VISITORS BUREAU (“GMCVB”) FOR A DESTINATION MARKETING AGREEMENT (“AGREEMENT”), WHICH AGREEMENT INCLUDES (1) A TERM OF FIVE (5) YEARS, PROVIDED THE CITY MAY TERMINATE THE AGREEMENT FOR CONVENIENCE UPON 120 DAYS PRIOR WRITTEN NOTICE; (2) A BASE FEE TO THE GMCVB COMPRISED OF TEN PERCENT (10%) OF THE TWO PERCENT (2%) CITY RESORT TAX (LESS A COLLECTION FEE OF FOUR PERCENT (4%)); AND (3) AN INCENTIVE FEE UP TO \$2,000,000 BASED ON GMCVB’S ABILITY TO ACHIEVE PERFORMANCE METRICS, AS MORE PARTICULARLY DESCRIBED IN THE TERM SHEET IN THE MEMORANDUM ACCOMPANYING THIS RESOLUTION (“TERM SHEET”); AND FURTHER, AUTHORIZING THE ADMINISTRATION TO FINALIZE THE AGREEMENT IN ACCORDANCE WITH THE TERM SHEET; FURTHER, WAIVING, BY A 5/7TH VOTE, THE COMPETITIVE BIDDING REQUIREMENT OF SECTION 2-367 OF THE CITY CODE, FINDING SUCH WAIVER TO BE IN THE BEST INTEREST OF THE CITY; AND FURTHER, AUTHORIZING THE CITY MANAGER AND CITY CLERK TO EXECUTE THE AGREEMENT.

WHEREAS, the City has been contracting with the Greater Miami Convention and Visitor's Bureau (“GMCVB”) since 1984 for the purpose of promoting the Miami Beach Convention Center (“MBCC”) and Miami Beach as a destination; and

WHEREAS, the GMCVB is primarily responsible for marketing, pursuing and securing MBCC sales; and

WHEREAS, together with the MBCC management, Global Spectrum L.P. (“Spectra”), GMCVB is responsible for pursuing booking large and long lead business, with Spectra typically focusing on shorter term business; and

WHEREAS, GMCVB engages in local, national and international marketing of Miami Beach as the overall destination in an effort to promote tourism, the goal of MBCC and Miami Beach destination marketing is to secure hotel room nights in the City, and to further enhance the City's tourism economy; and

WHEREAS, funding for the GMCVB agreement with the City is derived from the Municipal Resort Tax revenue, and the GMCVB derives additional funding from Miami-Dade County, City of Miami, Village of Bal Harbour, member fees and cooperative marketing partnerships

WHEREAS, the GMCVB's activities are focused primarily on marketing and MBCC group/meeting sales; and

WHEREAS, in 1984, the City, Miami-Dade County, the City of Miami and the Village of Bal Harbour, entered into an Interlocal Agreement with the GMCVB to perform tourism and convention sales and promotion functions; and

WHEREAS, on July 7, 1999, the Mayor and Commission adopted Resolution No. 99-23237 approving an agreement with the GMCVB for an initial term commencing on October 1, 1999, and ending on September 30, 2002, with one, two (2) year renewal options, at the City's discretion; and

WHEREAS, on December 8, 2004, the City Commission adopted Resolution No. 2004-25767, which approved an agreement with the GMCVB for five (5) years from October 1, 2004 - September 30, 2009; and

WHEREAS, on July 7, 2009, the Finance and Citywide Projects Committee directed the Administration to negotiate a new five (5) year agreement with the GMCVB; and

WHEREAS, on September 24, 2009, the City Commission adopted Resolution No. 2009-27217 approving a new five (5) year agreement commencing on October 1, 2009, and ending on September 30, 2014; and

WHEREAS, on September 10, 2014, the City Commission adopted Resolution No. 2014-28745, which accepted the recommendation of the Finance and Citywide Projects Committee to extend the Interlocal Agreement with the GMCVB on a month-to-month basis under the current contract terms, but not to exceed one (1) year from September 30, 2014; the City then renegotiated an incentive based agreement that established a base fee and an incentive fee to be paid based on the overall achievement of annual performance goals; the funding to the GMCVB remained \$5,366,000 and the City hired an owner's representative; and

WHEREAS, on October 21, 2015, the City Commission adopted Resolution No. 2015-29192, authorized a five (5) year agreement with GMCVB retroactively from October 1, 2015, and ending on September 30, 2020; and

WHEREAS, on July 29, 2020, , and the City Commission adopted Resolution No. 2020-31338 which authorized Amendment No. 1 to the Agreement and provided for a one (1) year extension of the initial term of the Agreement with GMCVB, to September 30, 2021; amended the base fee to 10.5% of the 2% Municipal Resort Tax collection generated from the sale of hotel rooms, food and beverage, and alcohol throughout the City of Miami Beach; and directed GMCVB to contribute \$75,000 to finance and collaborate with the City, on the execution of a branding identity consulting project; and

WHEREAS, on March 17, 2021 the City Commission referred a discussion to the Finance and Economic Resiliency Committee regarding a new agreement with the GMCVB considering the current agreement with GMCVB expires on September 30, 2021; and

WHEREAS, the GMCVB has proposed a new destination marketing agreement ("Agreement") with the City of Miami Beach, which Agreement includes (1) a term of five (5) years, provided the City may terminate the Agreement for convenience upon 120 days prior written notice; (2) a base fee to the GMCVB comprised of ten percent (10%) of the two percent (2%) City Resort Tax (less a collection fee of four percent (4%)); and (3) an incentive fee up to \$2,000,000 based on GMCVB's ability to achieve performance metrics, as more particularly

described in the Term Sheet in the Memorandum accompanying this Resolution ("Term Sheet"); and

WHEREAS, on April 30, 2021, the Finance and Economic Resiliency Committee ("FERC") meeting, FERC recommended approval of the Term Sheet including, but not limited to, a general scope of services and specific scope of services such as leadership, Miami Beach Convention Center, Communications, Public Relations, Marketing/Branding, Research Services, Major Events/Festivals/Tournaments, Reputation Management, Fees, Performance Metrics, and term; and

WHEREAS, the Agreement will require a waiver, by a 5/7th vote, of the competitive bidding requirement of Section 2-367 of the City Code, finding such waiver to be in the best interest of the City; and

WHEREAS, the Administration recommends that the Mayor and City Commission accept the recommendation of FERC and authorize the Administration to finalize the Agreement based on the Term Sheet in the Resolution.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby accept the recommendation of the Finance and Economic Resiliency Committee, and approve an agreement between the City of Miami Beach and the Greater Miami Convention & Visitors Bureau ("GMCVB") for a Destination Marketing Agreement ("Agreement"), which Agreement includes (1) a term of five (5) years, provided the City may terminate the Agreement for convenience upon 120 days prior written notice; (2) a base fee to the GMCVB comprised of ten percent (10%) of the two percent (2%) City Resort Tax (less a collection fee of four percent (4%)); and (3) a incentive fee up to \$2,000,000 based on GMCVB's ability to achieve performance metrics, as more particularly described in the Term Sheet in the Memorandum accompanying this Resolution ("Term Sheet"); and further, authorizing the Administration to finalize the Agreement in accordance with the Term Sheet; further, waiving, by a 5/7th vote, the competitive bidding requirement of Section 2-367 of the City Code, finding such waiver to be in the best interest of the City; and further, authorizing the City Manager and City Clerk to execute the Agreement.

PASSED and ADOPTED this _____ day of _____, 2021.

ATTEST:

Rafael E. Granado, City Clerk

Dan Gelber, Mayor

**APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION**



City Attorney



6-21-21

Date