

**RESOLUTION NO.        2021-31755**

**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

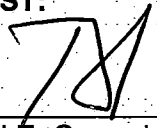
**WHEREAS**, the Agreement will require a waiver, by a 5/7th vote, of the competitive bidding requirement of Section 2-367 of the City Code, finding such waiver to be in the best interest of the City; and

**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.

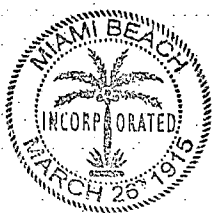
**PASSED and ADOPTED** this 23 day of June, 2021.

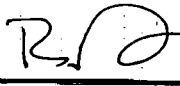
**ATTEST:**


  
6/28/2021  
Rafael E. Granado, City Clerk

  
Dan Gelber, Mayor

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



  
City Attorney

 6-21-21  
Date

# MIAMI BEACH

## COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission  
FROM: Alina T. Hudak, City Manager  
DATE: June 23, 2021

SUBJECT: 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 WAIVING THE FORMAL COMPETITIVE BIDDING REQUIREMENT IN SECTION 2-367(E) OF THE CITY CODE, FINDING SUCH WAIVER TO BE IN THE BEST INTEREST OF THE CITY, AND APPROVING, BY 5/7TH VOTE, AN AGREEMENT WITH THE GREATER MIAMI CONVENTION & VISITORS BUREAU ("GMCVB"); AND FURTHER AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE SAID AGREEMENT.

### BACKGROUND/HISTORY

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.

The GMCVB has historically been primarily responsible for marketing, pursuing and securing MBCC sales. Together with the MBCC management (Spectra and Centerplate), GMCVB is responsible for pursuing booking large and long lead business, with Spectra typically focusing on shorter term business.

GMCVB also engages in Destination Marketing - local, national and international marketing - of Miami Beach 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.

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. The GMCVB is predominately funded by the Municipal Resort Tax. The GMCVB budget percentage representation is approximately 50% Miami-Dade County Resort Tax (including the City of Miami and the Village of Bal Harbour), 24% Miami-Dade County Hotel, Food and Beverage Tax, 21% Miami Beach Resort Tax, and 5% from member fees and marketing partnerships.

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 option, at the City's discretion.

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.

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

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.

The 2009 agreement included static goals and the fee earned by the GMCVB was not tied to performance. Prior to the expiration of the 2009 agreement, the City changed the overall direction of the GMCVB contract to a performance-based agreement from a fee for services approach. This direction focused on the achievement of key metrics and the overall measurable success of GMCVB in their contractual relationship with the City. The City therein established a base fee and created an incentive fee to be paid based on the overall achievement of agree-upon annual performance goals.

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 2009 agreement to 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.

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

As the initial term of the Agreement expired on September 30, 2020 and the City was navigating through an unchartered COVID-19 environment, with unknown stakeholder impact, and unmeasurable reputation effect of our destination, the Administration recommended an extension of the Agreement.

On July 29, 2020, the Administration recommended, 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.

Due to the ongoing impact of COVID-19 on the City of Miami Beach's tourism and hospitality industry, as well as our ability to attract and retain quality conferences, events and meetings in the MBCC, the Administration recommends it is in the best interest of the City to negotiate a new Agreement with the GMCVB. The new agreement should include terms and conditions that reflect the current and future essential destination marketing requirements and needs for the promotion of Miami Beach individually, the Miami Beach Convention Center, the Miami Beach hotel group sales, and Miami Beach as part of the Greater Miami community.

The Administration is confident that renewing the agreement with the GMCVB, with the revised financial terms, enhanced tracking, reporting and performance measurement metrics, including but

financial terms, enhanced tracking, reporting and performance measurement metrics – including, but not limited to the promotion and marketing of a fully operational convention center, and the carve out of funds specifically for direct destination marketing of the City of Miami Beach separate and apart from the Greater Miami municipal collective is in the best interest of the City, and will allow the City to respond to COVID-19 budget impacts, strategically plan and execute an effective renewal and transformation.

The new Agreement enhances on the terms of the previous agreement and provides for more creativity, technology and collaborative synergy amongst the City, GMCVB and other tourism stakeholders (e.g., Miami Beach Convention Visitor's Authority, etc.). The agreement will be divided into three areas of performance: (1) Promotion and Sales of the Miami Beach Convention Center & Campus, (2) Promotion and Destination Marketing of the City of Miami Beach; and (3) leadership membership in the GMCVB administration and operations of the promotion and marketing of the Greater Miami community as a destination and economic driver.

#### PREVIOUS FINANCIAL STRUCTURE

##### 5 Year Agreement 2015 – Resolution No 2015-29192

|                  | FY 2016            | FY 2017            | FY 2018            | FY 2019            | FY 2020            |
|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Base Fee</b>  | \$4,700,000        | \$4,935,000        | \$4,817,046        | \$5,033,941        | \$5,163,011        |
| <b>Incentive</b> | \$1,805,335        | \$1,890,000        | \$1,489,744        | \$1,397,118        | No Incentive       |
| <b>Total</b>     | <b>\$6,505,335</b> | <b>\$6,825,000</b> | <b>\$6,306,790</b> | <b>\$6,431,059</b> | <b>\$5,163,011</b> |

#### CURRENT FINANCIAL STRUCTURE – PURSUANT TO AMENDMENT NO. 1:

##### Amendment #1 2020

FY 2021

|                  |                    |
|------------------|--------------------|
| <b>Base Fee</b>  | \$3,750,000        |
| <b>Incentive</b> | No Incentive       |
| <b>Total</b>     | <b>\$3,750,000</b> |

#### PROPOSED FINANCIAL STRUCTURE 2022 - 2026

##### Proposed 5 Year Agreement 2021

|                            | FY 2022  | FY 2023   | FY 2024   | FY 2025  | FY 2026  |
|----------------------------|--|---|---|--|--|
|                            | 10% Proposed<br>Base Fee-<br>calculated at<br>85% of FY 19<br>Resort Tax<br>collection | 10% Proposed<br>Base Fee-<br>calculated at<br>100% of FY 19<br>Resort Tax<br>collection | 10% Proposed<br>Base Fee-<br>calculated at<br>100% Resort<br>Tax collection<br>of FY 19 with<br><br>3% Increase | 10%<br>Proposed<br>Base Fee-<br>calculated at<br>100% Resort<br>Tax collection<br>of FY 24 with<br><br>3% Increase | 10%<br>Proposed<br>Base Fee-<br>calculated at<br>100% Resort<br>Tax collection<br>of FY 25 with<br><br>3% Increase |
| <b>Base Fee</b>            | \$4,885,840  | \$5,748,047   | \$5,920,488   | \$6,098,103  | \$6,281,046  |
| <b>Incentive<br/>Up to</b> | \$2,000,000  | \$2,000,000   | \$2,000,000   | \$2,000,000  | \$2,000,000  |
| <b>Total</b>               | <b>\$6,885,840</b>   | <b>\$7,748,047</b>  | <b>\$7,920,488</b>  | <b>\$8,098,103</b>   | <b>\$8,281,046</b>   |

**Base Fee is calculated as 10% of the Miami Beach Resort Tax (less collection fee of 4%)**

- o 50% of the Base Fee paid to the GMCVB should be allocated specifically for MBCC and City of Miami Beach
- o 50% of Base Fee paid to the GMCVB should be allocated for Greater Miami Inclusion (which also includes destination promotion, marketing and sales of MBCC, City of Miami Beach hotels, restaurants, events and retail.

**An Incentive Fee of up to \$2 million** will be calculated on the ability to achieve performance objectives; the incentive is prorated beginning with 85% up to 100%. Using a scale where 85% of metrics met will receive 85% of incentive fee. The total incentive will be tied to two separate criteria.

**\$1 Million** of the incentive will be measured by percentage of the goals achieved established through goal setting as described below.

- Miami Beach Convention Center (MBCC) city-wide convention bookings – 50%
- Miami Beach Hotel In-House bookings - 25%
- Miami Beach Hotel Leisure bookings - 20%
- Miami Beach Hotel Room Rate/Resort and F&B tax growth – 5%

**\$1 Million** of the incentive will be measured by percentage of the goals achieved established through goal setting as described below.

- City of Miami Beach Direct Destination Marketing
- Measurable Direct Inclusion in Greater Miami Destination Marketing
- Research/Reputation Management/ Awards/ Economic Development/Advocacy

Proposed Performance Metrics will be measured on a scale where 100% achievement indicates satisfactory performance of the following measures:

- Economic impact;
- meeting or exceeding annual goals and projections; and
- original and innovative programming

The Administration recommends the **term** of the new agreement be for five (5) years.

Upon the completion of a new contract, the GMCVB has agreed to direct their public relations agency, VMLY&R (a top-ranked agency), to begin a full market analysis and rebrand of the City of Miami Beach.

Preliminary discussions with marketing and advertising industry professionals have shown that the cost to outsource the destination marketing for Miami Beach – separate and apart from the sales of the Miami Beach Convention Center – could cost a significantly higher price than we are paying the GMCVB. Agency fees, including retainers, advertisement purchasing, creative fees, travel expenses, and PR events, could total millions annually.

During the April 30, 2021 FERC meeting, the Committee requested that the Administration flush out and define clear roles and responsibilities and to include a "termination for convenience" clause on a five (5) term.

## **ANALYSIS**

The proposed agreement is based on the terms set forth below:

|                                   |   |
|-----------------------------------|---|
| <b>General Scope of Services:</b> | <ol style="list-style-type: none"><li>1. Develop, promote, market, book, and secure conventions, trade shows, and group business for venues in Miami Beach;</li><li>2. Expand, develop, and promote domestic and international tourism in the City in the through consumers, travel agents, tour operators, wholesalers, airline marketing, media, advertising, and other communication and destination modes;</li><li>3. Provide full-service marketing and traditional marketing. Lead the strategic creative marketing vision for Miami Beach. Use analytics and research, this includes developing and implementing visitor persona profiles, key target markets, and a traditional marketing and communications strategies. Promoting the brand identity of Miami Beach with the goal of creating increased awareness and visitation to the City as a tourism destination. Develop a comprehensive advertising plans inclusive of television, OOH, programmatic, print and digital mediums. Develop creative campaigns which may include the development of creative collateral. Following and understanding the reporting through the strategic plan goals set by the Miami Beach team.</li><li>4. Provide digital marketing. In collaboration with the Miami Beach Team to place digital media buys (inclusive of social media) specifically in strategic markets, develop targeted campaigns based on initiatives approved by the Miami Beach Team for increased digital exposure; along with monitoring and reporting the results in a timely and cost-effective manner. Including, but not limited to, media planning and buying, search engine optimization (SEO), analytics, and research, creative brand strategy and/or messaging on an as-needed basis. Develop reporting processes through the strategic plan goals set by the Miami Beach team.</li><li>5. Expand, develop, and promote Miami Beach tourism during the "need periods," as defined within that industry and market;</li><li>6. Maintain programs and services in connection with the marketing and promotion of conventions and tourism to benefit the City and venues in the City including, without limitation, convention services, tourist reservation services, and other operational and administrative programs in connection therewith;</li><li>7. Prepare and distribute marketing collateral, advertising and disseminating information about the City through traditional and digital media on all communication platforms and channels;</li><li>8. Collaborate and engage with segments of Miami Beach's tourism, hospitality and convention business to encourage booking of hotel reservations, tour packages, car rentals, and other similar services.</li></ol> |
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|                                   | <p>reservations, tour packages, car rentals, and other similar services;</p> <p>9. Use global tourism and convention best practices and analytics to research to develop, plan, and execute campaigns that inform, educate, market, promote, market and sale the value/benefit of conventions, group sales, major events in Miami Beach;</p> <p>10. Develop, plan and execute programs or projects designed to promote tourism and attract tourists and conventions to Miami Beach, and collaborate with public and private organizations or groups, as well as hotels, restaurants, retail venues, and tourist related entities and attractions, in their respective efforts to promote tourism and attract tourists, events and conventions to Miami Beach;</p> <p>11. Recruit, train and retain teams and consultants necessary or appropriate.</p> <p>12. Provide measurable economic opportunities for Miami Beach businesses and vendors.</p> <p>13. Advise, inform, update, and engage Miami Beach leadership in activities;</p> <p>14. Measurable partnering and co-promotions with hotels, restaurants, retail venues, and other tourist/hospitality related entities and attractions within Miami Beach;</p> <p>15. Emphasize Miami Beach as a "global destination" for vacations, meetings, and conventions through campaigns and channels of information, advertising, publicity, marketing and sales, and event production and promotion;</p> <p>16. Proactively solicit and respond to inquiries regarding "major media events" that will be broadcast from (or otherwise highlight) Miami-Dade County, and, more specifically, that are anticipated to draw positive national and international attention to Miami Beach. The term "major media event" shall be defined as including events of equal or greater caliber as the following events which have taken place in the City and or Miami-Dade County including but not limited to sporting events, festivals, award shows, filmed productions, and ceremonies;</p> <p>17. Budget, administer, and implement the funds received by including, without limitation, the Miami Beach contribution, including entering into contracts/agreements with third parties;</p> <p>18. perform any other function reasonably related to the policy and purpose of the agreement.</p> |
| <b>Specific Scope of Services</b> |  |
| <b>Leadership</b>                 | Voting membership on all GMCVB committees including, but not limited to,   |

|             |   |
|-------------|---|
|             | <p>the following:</p> <ul style="list-style-type: none"> <li>· Board of Directors</li> <li>· Executive Committee</li> <li>· Committees <ul style="list-style-type: none"> <li>o Finance Committee</li> <li>o Convention Sales Committee</li> <li>o Marketing and Tourism Committee <ul style="list-style-type: none"> <li>o Multicultural Committee/LGBTQ Tourism Advisory Committee/Sports Tourism Committee</li> </ul> </li> </ul> </li> </ul>  |
| <b>MBCC</b> | <p>Annual MBCC Sales Plan</p> <ul style="list-style-type: none"> <li>o Establish a vision for MBCC sales. <ul style="list-style-type: none"> <li>§</li> </ul> </li> <li>o Revisit annual goals-setting process. <ul style="list-style-type: none"> <li>§ P1/P2</li> <li>§ MB Hotel Group Sales</li> <li>§ Collaborative P3 and Social Sales with Spectra &amp; Centerplate</li> </ul> </li> <li>o Develop annual sales and marketing budget for MBCC.</li> <li>o Reporting <ul style="list-style-type: none"> <li>§ Create a CMB accessible dashboard of key metrics.</li> <li>§ Monthly review of glide path to goals/develop benchmarks.</li> <li>§ Maintain a transparent review and approval process that includes CMB, MBCC (Spectra/Centerplate), hotel industry and key stakeholders (at the City Manager's choice) - final review and approval by CM.</li> </ul> </li> <li>o Set 5 year projections and goals. <ul style="list-style-type: none"> <li>• Annual review of glide path to goals vs projections</li> </ul> </li> <li>o Report annual analysis (Y/Y, Q) <ul style="list-style-type: none"> <li>• Simpleview FuturePace Report or other such reporting technology that provide greater accuracy in the calculation of hospitality pace and/or data to assist in identifying and solve destination management problems. <ul style="list-style-type: none"> <li>• Track: <ul style="list-style-type: none"> <li>• trends</li> <li>• identify strong/weak periods.</li> <li>• maximize revenue.</li> </ul> </li> </ul> </li> <li>• MB Hotel Group sales <ul style="list-style-type: none"> <li>• Align sales strategy across hotels and MBCC.</li> <li>• Detail year by year views of definite room</li> <li>• Analyze pace targets and variance percentages.</li> </ul> </li> <li>• Analyze comp set/peer set again projections/goals.</li> </ul> </li> </ul> |

|                       |   |
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|                       | <b>GMCVB Direct MBCC Sales Team</b> <ul style="list-style-type: none"> <li>o Prospecting strategic planning <ul style="list-style-type: none"> <li>• Prospecting goals and timelines</li> </ul> </li> <li>o Marketing/Communications (MBCC Only) <ul style="list-style-type: none"> <li>• Develop branding and collateral.</li> <li>• Identify top domestic and international tourism, convention, trade show, group business sales events. <ul style="list-style-type: none"> <li>• Develop participation and promotion strategies/campaigns/advertisements.</li> </ul> </li> <li>• Identify and pursue major events that generate media coverage.</li> <li>• Develop incentives - develop a wide range of corporate incentive packages.</li> <li>• Develop Crisis Communications plan</li> </ul> </li> <li>o Research <ul style="list-style-type: none"> <li>• Sales analytics</li> <li>• Market analytics</li> <li>• Calendar analysis</li> <li>• Domestic and international CVB best practices</li> <li>• Identify top domestic and international group sales, conventions and conferences. <ul style="list-style-type: none"> <li>• Identify priority market segments.</li> </ul> </li> <li>• Identify competition and competitive services.</li> <li>• Develop and/or identify measure to track economic impact of P1/P2 and major media events.</li> </ul> </li> <li>o Report <ul style="list-style-type: none"> <li>• Develop standardized reporting with complete transparency.</li> </ul> </li> </ul> |
|                       | <b>Destination Advisory Board (DAB)</b> <ul style="list-style-type: none"> <li>o Member Management</li> <li>o Research</li> <li>o FAM trip management</li> </ul>  |
|                       | <b>Reporting</b> <ul style="list-style-type: none"> <li>o Monthly sales and marketing meeting</li> <li>o Comprehensive year to date analysis of results, achievements, sales activities, challenges, solutions, feedback</li> <li>o Quarterly hotel meeting to assess trends, goals, sales activities, achievements/challenges and feedback.</li> </ul>   |
| <b>Communications</b> | <b>MB Destination Marketing for CMB</b> <ul style="list-style-type: none"> <li>· General <ul style="list-style-type: none"> <li>- Set annual plan/strategies to promote tourism domestic and international.</li> <li>- Identify top domestic and international leisure feeder markets.</li> <li>- Develop leisure market goals.</li> </ul> </li> </ul>  |

|                           |   |
|---------------------------|---|
|                           | <ul style="list-style-type: none"> <li>· Collaborate and partner with MBVCA, GMBHA, etc.</li> <li>· Develop collateral to promote and advertise MB brand using all channels of communications/marketing/advertising and technology.</li> </ul>  |
| <b>Public Relations</b>   | <p><b>Monthly-Reporting:</b></p> <ul style="list-style-type: none"> <li>o Number of hours 3<sup>rd</sup> party agencies logged in working on Miami Beach engagements.</li> <li>o Press mentions generated.</li> <li>o Pitching news stories for hot topics related to Miami Beach. <ul style="list-style-type: none"> <li>• Pitch strategy</li> <li>• High impact Messaging</li> <li>• Crisis communications</li> <li>• Citywide messages such as <ul style="list-style-type: none"> <li>• Short-term rental messaging</li> <li>• Anti-Litter messaging how much of a role is needed?</li> <li>• Resilience Messaging</li> </ul> </li> </ul> </li> <li>o Information regarding FAM Trips/Group Trips such as trip calendars, itineraries, themes, etc. in an effort to engage with them in the right way. Post trip report/feedback would also be helpful. Post visit activity.</li> </ul>  |
| <b>Marketing/Branding</b> | <ul style="list-style-type: none"> <li>· Marketing Strategy (Bi-annual Meeting): set a date for annual goals submission. <ul style="list-style-type: none"> <li>o The first would encompass an evaluation of the previous year's efforts along with the strategy for the upcoming year.</li> <li>o The second would be a mid-year review discussing successes, challenges and any course corrections that are needed.</li> <li>o Campaign Development (meet as needed): weekly reporting Inclusion in the review/approval process for all major campaign deliverables. (Logo, tag lines &amp; anchor copy, branding imagery, graphic treatments, marquee ads and commercials. This would not include the offshoot materials such as approved ads being resized, social media content, etc.)</li> <li>o Inclusion in existing touch base calls with agency.</li> </ul> </li> <li>· Campaign ROI Tracking/Reporting: <ul style="list-style-type: none"> <li>o Monitor and report on both quantitative and qualitative measurements to track campaign success and maximize ROI. Reporting can include but is not limited to: <ul style="list-style-type: none"> <li>• Impressions</li> <li>• Frequency</li> <li>• Click-throughs</li> <li>• Post-impression visitors</li> <li>• Website traffic in unique visitors</li> <li>• User Engagement</li> <li>• Economic Indicators (Hotel Bookings, Room Nights, Hotel Revenue, etc.)</li> </ul> </li> </ul> </li> </ul> |

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| <b>Research Services</b>                 | <p>General and specific research and analysis on the following but not limited to:</p> <ul style="list-style-type: none"> <li>o hotel</li> <li>o travel</li> <li>o demographics</li> <li>o visitor volumes (especially during high impact periods)</li> <li>o forecasting</li> <li>o marketing</li> <li>o communications</li> <li>o Social Media</li> <li>o Events/Festivals/Tournaments</li> <li>o Conduct onsite research and present recommendations.</li> <li>o Leverage tech</li> </ul>  |
| <b>Major Events/Festival/Tournaments</b> | Sponsorships and coordination and collaboration to attract and retain. Play a role in researching, identifying and securing citywide and MB major events.   |
| <b>Reputation Management</b>             | Identify, submit and maintain awards and recognitions, including but not limited to economic drivers for hotels, restaurants, retail, and special events.   |
| <b>Fee</b>                               | <p>10% of the 2% Resort Tax (less collection fee of 4%)</p> <ul style="list-style-type: none"> <li>o 5% of 2% Resort Tax (less collection fee of 4%) for MBCC and City of Miami Beach</li> <li>o 5% of 2% Resort Tax (less collection fee of 4%) for Greater Miami Inclusion (which also includes destination promotion, marketing and sales of MBCC, City of Miami Beach hotels, restaurants, events and retail.</li> </ul>  |
| <b>Performance Metrics</b>               | <p>Satisfactory achievement based on the following measures:</p> <ul style="list-style-type: none"> <li>▪ Economic impact;</li> <li>▪ Meeting or exceeding annual goals and projections; and</li> <li>▪ Original and innovative programming.</li> </ul>   |
| <b>Incentive Fee</b>                     | <p>o \$2 million incentive fee - based on ability to achieve performance objectives; the incentive is prorated beginning with 85% up to 130%. Using a scale where 85% of metrics met will receive 85% of incentive fee.</p> <p>o \$1 Million of % earned in achieving 100% of goals established through goal setting.</p> <ul style="list-style-type: none"> <li>o Miami Beach Convention Center; Miami Beach Hotel (In-House and Leisure) Bookings; and Miami Beach Hotel Room Rate/ Resort and F&amp;B Tax Growth</li> <li>o Miami Beach Convention Center (MBCC) city-wide convention bookings – 50%</li> </ul> <ul style="list-style-type: none"> <li>• Miami Beach Hotel In-House Bookings - 25%</li> <li>• Miami Beach Hotel Leisure Bookings - 20%</li> <li>• Miami Beach Hotel Room Rate/Resort and F&amp;B Tax Growth - 5%</li> </ul> <p>o \$1 Million of 100% earned in achieving 100% of goals established through goal setting.</p> <p>o City of Miami Beach Direct Destination</p> |

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|      | <ul style="list-style-type: none"> <li>o City of Miami Beach Direct Destination Marketing</li> <li>o Measurable Direct Inclusion in Greater Miami Destination Marketing – Communications metric</li> <li>o Research/Reputation Management/ Awards/ Economic Development/Advocacy</li> </ul> |
| Term | Five (5) years with a termination for cause and termination for convenience.  |

### **SUPPORTING SURVEY DATA**

N/A

### **CONCLUSION**

The Administration is confident that renewing an agreement with GMCVB, with the new financial terms, clear roles and responsibilities, and explicit and focused performance metrics and deliverables, including, but not limited to, enhanced attention to the promotion and marketing of the City of Miami Beach as a destination of choice, is in the best interest of the City. Additionally, the Administration recommends that a 5 year term, with a termination for cause or convenience will allow the City to respond to existing COVID-19 budget impact and strategically plan and execute an effective recovery and measurable growth of Miami Beach as an international destination.

### **Applicable Area**

Citywide

**Is this a "Residents Right to Know" item, pursuant to City Code Section 2-14?**

No

**Does this item utilize G.O. Bond Funds?**

No

### **Strategic Connection**

Prosperity - Market and promote Miami Beach as a world class arts, culture, and quality entertainment destination.

### **Legislative Tracking**

Tourism and Culture