

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE NEIGHBORHOOD AND QUALITY OF LIFE COMMITTEE, AT ITS JANUARY 28, 2021 MEETING TO AUTHORIZE THE CITY MANAGER TO NEGOTIATE AN AGREEMENT WITH UBER TECHNOLOGIES, INC. D/B/A "UBER EATS" REGARDING CONSUMER DELIVERY FEES IN ORDER TO PROVIDE ECONOMIC RELIEF AND MARKETING SUPPORT TO MIAMI BEACH RESTAURANTS, AND FURTHER AUTHORIZING THE CITY MANAGER AND THE CITY CLERK TO EXECUTE THE FINAL AGREEMENT.

WHEREAS, the COVID-19 pandemic has and continues to threaten the Miami Beach restaurant industry, and has forced many restaurants to either close or switch their operations to focus on pickup and delivery; and

WHEREAS, although restaurants were authorized to remain open throughout the economic shutdown, the primary restaurant model of in-person dining was restricted, and remains limited even during the reopening phases; and

WHEREAS, due to physical distancing guidelines and the continued spread of the COVID-19 virus, in-person dining has been greatly reduced, and restaurateurs and their patrons have experienced an increased dependency on third party delivery services; and

WHEREAS, dependency on takeout and delivery offerings via third-party delivery platforms and websites only has placed a sudden and severe financial strain on many restaurants, particularly those that are small businesses that already operate on thin margins, adding to financial pressures in the industry that predate the COVID-19 crisis; and

WHEREAS, service agreements between some restaurants and third-party platforms provide that the platform charges the restaurant 10-15% of the purchase price per order, while some agreements provide for higher per-order fees; and

WHEREAS, restaurants, and particularly restaurants that are small businesses with few locations, have limited bargaining power to negotiate lower fees with third-party platforms, given the high market saturation of third-party platforms, and the dire financial straits small business restaurants are facing in this COVID-19 emergency; and

WHEREAS, at its September 23, 2020 meeting, the Neighborhood and Quality of Life Committee ("NQLC") discussed the hardships faced by restaurants due to the COVID-19 pandemic, and associated emergency orders and guidelines, and passed a motion directing the City Administration to explore a reimbursement program for Miami Beach restaurants; and

WHEREAS, at the September 29, 2020 City Commission meeting, the Mayor and City Commission adopted Resolution No. 2020-31428, adopting the FY 2021 General Fund budget which included an allocation of \$60,000 to establish a restaurant reimbursement program to offset expenses incurred by Miami Beach restaurants related to third-party delivery service fees; and

WHEREAS, at the October 28, 2020 City Commission meeting, the Mayor and City Commission adopted Resolution No. 2020-31470, accepting the recommendation of the NQLC

at its October 19, 2020 meeting, and authorizing the creation of the Miami Beach Restaurant Reimbursement Grant Program, allowing for grants of up to \$1,000 to reimburse eligible restaurants for third party commission fees; and

WHEREAS, the NQLC and the City Administration have continued to explore additional methods for providing relief to Miami Beach restaurants and consumers, including negotiating a potential partnership with delivery platform Uber Technologies, Inc. d/b/a Uber Eats ("Uber Eats") to address the negative impacts of the COVID-19 pandemic; and

WHEREAS, on January 28, 2021, the NQLC passed a motion with a favorable recommendation for a partnership program with Uber Eats, the terms of which are more particularly described in the Uber Eats proposal letter attached as Exhibit "A" to the Commission Memorandum accompanying this Resolution; and

WHEREAS, the proposed partnership program includes six (6) weeks of free delivery and promotional discounts for Miami Beach eaters, as well as benefits to Miami Beach restaurants through May 31, 2021 including waiver of marketplace and credit card fees for pick-up orders, reimbursement of delivery fees for restaurants utilizing their own delivery personnel, and waiver of activation fee for new restaurants; and

WHEREAS, the partnership also involves joint advertising efforts through digital marketing to include social media, press release and email; and

WHEREAS, the City Administration supports the creation of a collaborative partnership between the City and Uber Eats, and recommends that the Mayor and City Commission authorize the City Manager to negotiate an agreement with Uber Eats based on its proposal.

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 Neighborhood and Quality of Life Committee, at its January 28, 2021 meeting, and authorize the City Manager to negotiate an agreement with Uber Technologies, Inc. d/b/a Uber Eats, regarding consumer delivery fees in order to provide economic relief and marketing support to Miami Beach restaurants, and further authorize the City Manager and the City Clerk to execute the final agreement.

PASSED and ADOPTED THIS ___ day of _____ 2021.

Dan Gelber, Mayor

ATTEST:

Rafael E. Granado, City Clerk

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

City Attorney

2/3/21
Date