

MIAMI BEACH

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COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Alina T. Hudak, City Manager 

DATE: June 28, 2023

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING THE ESSENTIAL BUSINESS TERMS OF AN AGREEMENT WITH IKE SMART CITY, LLC (IKE), AS MORE PARTICULARLY SET FORTH IN THE CITY COMMISSION MEMORANDUM ACCOMPANYING THIS RESOLUTION, PURSUANT TO REQUEST FOR PROPOSALS (RFP) NO. 2022-040-KB TO DESIGN, MANUFACTURE, INSTALL, OPERATE, AND MAINTAIN INTERACTIVE DIGITAL MEDIA KIOSKS; AND FURTHER AUTHORIZING THE CITY MANAGER AND CITY CLERK TO EXECUTE AN AGREEMENT WITH IKE CONSISTENT WITH THE APPROVED TERMS.**

RECOMMENDATION

It is recommended that the Mayor and City Commission approve the essential terms of an agreement with IKE Smart City, LLC ("IKE"), pursuant to Request For Proposals (RFP) No. 2022-040-KB, for the installation, maintenance, and operation of Interactive Digital Media Kiosks. The Resolution authorizes the City Manager and City Clerk to execute the agreement consistent with the approved terms.

BACKGROUND/HISTORY

On August 25, 2021, the Administration received an unsolicited proposal from IKE Smart City to manufacture, install, maintain, and operate interactive digital media kiosks at certain sites throughout the City. Unsolicited proposals are subject to Section 255.065, Florida Statutes.

On January 20, 2022, the Mayor and City Commission approved Resolution 2022-31989 accepting the unsolicited proposal pursuant to section 255.065 of the Florida Statutes and authorizing the Administration to issue Request for Proposals (RFP) No. 2022-040-KB seeking proposals from other interested parties for the same project purpose as the unsolicited proposal. On April 12, 2022, the RFP was issued, and proposals were received on July 15, 2022.

On August 10, 2022, the Evaluation Committee appointed by the City Manager evaluated the proposals received in response to the RFP and ranked the proposals in the following order:

- 1st ranked – IKE
- 2nd ranked – Smart City Media
- 3rd ranked – HootBoard

On December 14, 2022, via Resolution 2022-32422, the Mayor and City Commission authorized the Administration to enter into negotiations with IKE, the top-ranked proposer, and if unsuccessful, to negotiate with Smart City Media, the second-ranked proposer. The Resolution provided that the final negotiated agreement be subject to prior approval of the Mayor and City Commission.

ANALYSIS

As directed by the City Commission, staff has negotiated an agreement with IKE. The material terms of the Agreement are attached hereto as Attachment A. The most significant terms are highlighted below.

Locations. All locations require the approval of the City Manager. The initial installation will include 15 kiosks at the approximate locations noted in Attachment B. The parties, with the prior approval of the City Manager, may mutually agree to an additional 15 kiosks. The maximum number of kiosks allowed under the Agreement is 30 without prior approval of the City Commission for any additional units.

Note: In accordance with Section 4 of the Agreement with Outfront Media for bus shelters, the City will not permit the installation of an IKE kiosk within 250 feet from the closest edge of any Bus Shelter (the "Exclusivity Zone"), except on any portion of Lincoln Road, even if certain parts of Lincoln Road fall within the Exclusivity Zone.

Term. The term of the Agreement shall be for ten (10) years with an additional automatic ten (10) year renewal, subject to certain conditions as outlined in the attached term sheet. The initial term shall commence upon installation of the 15th kiosk or one year from the effective date, whichever occurs first.

Termination For Convenience Of The City. Commencing at the expiration of the 16th year from the effective date of the Agreement, the City may also, through its City Manager, and for its convenience and without cause, terminate this agreement. Termination shall become effective within thirty (30) days following receipt by the company of such notice.

Kiosk Revenue.

a. **Non-Refundable Prepayment (Escrow).** Within five (5) calendar days from the Effective Date, IKE will provide a \$1,000,000.00 non-refundable advance payment to the City, to be placed in escrow and used as a credit towards future Kiosk Revenue payments. Future payments owed to the City will be deducted from the escrowed funds until escrowed funds are exhausted.

b. **Minimum Annual Guaranty Payment (MG).** IKE will pay to the City \$20,000.00 annually (paid quarterly) per kiosk during the first term year. Each year thereafter, the minimum guaranty will increase by two percent (2%) over the minimum annual guaranty payable in the immediately preceding term year.

c. **Revenue Share.** Annually IKE shall pay to the City 40% (less the minimum guaranty) of gross revenues earned by IKE Smart City in the preceding term year with respect to the operation of all the kiosks.

Note: The potential revenue to be yielded by the City, as projected by IKE Smart City in its proposal, is included in Attachment D.

Advertising Restrictions. The Agreement contains the following prohibitions on advertisements.

- a. strobing effect or visuals that replicate a traffic sign in colors and words, including but not limited to a red sign with the words "Stop" or a yellow sign with the words "LOOK";
- b. false or misleading;
- c. material that is immoral, lascivious, or obscene as defined in Section 847.001, Florida Statutes;
- d. no advertising shall be for businesses engaged in any activity that requires the exclusion of minors pursuant to Chapter 847, Florida Statutes;

- e. promotes unlawful or illegal goods, services, or activities;
 - f. tobacco or tobacco-related products, including electronic cigarettes;
 - g. firearms;
 - h. sexual services, programs, or products;
 - i. political candidates or political issues, campaigns; and
 - j. competitive products included in the current citywide exclusive sponsorship agreements with Red Bull and Pepsi; provided, however, Company shall not be obligated to comply with this restriction with respect to (A) more than (1) citywide exclusive pouring rights sponsor for non-alcoholic beverages categories other than energy drinks, and one (1) citywide exclusive pouring rights sponsor for non-alcoholic energy drinks at any given time during the Term or (B) two (2) citywide exclusive sponsorship agreements with non-alcoholic pouring rights providers per Term Year of the Term; and
 - k. Advertisement relating to medical marijuana; and
 - l. any such additional category of advertising that may be added by the Mayor and City Commission, as notified in writing to IKE.
- m. Advertising of alcoholic beverages, as defined by Section 561.01, Florida Statutes, shall be permitted with the following restrictions:
- i. No advertising for alcoholic beverages shall be within 250 feet of any type of public or private school, including pre-schools, elementary schools, middle schools, high schools, colleges, and universities;
 - ii. No advertising for alcoholic beverages shall be within 250 feet of houses of worship, including churches, synagogues, temples, and mosques;
 - iii. No advertising for alcoholic beverages shall be within 250 feet of Hospitals or addiction treatment centers;
 - iv. No ad shall be allowed that promotes overconsumption or boisterous/party behaviors. Additionally, all alcohol advertisements must be followed with an advertisement that speaks to the safe consumption of alcohol, for example, “Drink Responsibly Miami Beach”; and
 - v. All advertising for alcoholic beverages must include the disclaimer below as mandated by the Alcoholic Beverage Labeling Act (“ABLA”) of 1988.

Advertising Removal. Any prohibited material, in violation of this section, or unacceptable material, as determined by the City Manager, in the City Manager’s sole discretion, which is displayed or placed, shall be removed immediately upon written notice to IKE to remove said advertising.

Performance Bond or Alternate Security. A Performance Bond, in the amount of One Hundred Thousand (\$100,000.00) Dollars, shall be provided by the IKE in faithful observance of this Agreement.

City Advertising Rights. City-directed content will occupy at least sixty-six percent (66%) of the screen area on each of the kiosks during the interactive mode. During Passive Mode, at least one (1) spot out of every eight (8) spots shown on a kiosk screen will contain City directed content. All spots shall be of equal duration. City-directed content may also be displayed during any unsold spots, as available.

Lastly, IKE shall provide the City with \$550,000.00 in free advertising time annually on its network of kiosks and large-format signs installed across the continental United States.

FINANCIAL INFORMATION

The agreement for this project will be revenue generating for the City equal to the greater of the total amount of Minimum Annual Guaranty (“MG”) payments received by the City during a particular term year or the total annual Percentage of Gross Revenue (“PG”) payment for the particular term year. The MG is in the amount of \$20,000.00 annually per kiosk, during the first term year, commencing from the first date a kiosk becomes operational, with annual escalations of 2% per term year thereafter. The MG payment is paid quarterly during each term year.

Additionally, the revenue share is equal to forty percent (40%) of the annual Gross Revenues (“PG”) earned by IKE with respect to the operation of all the installed IKE kiosks during each term year. At the end of each term year, IKE will provide the City with a reconciliation. If the PG amount for the term year is more than the MG payments received during the given term year, then IKE will pay the City the excess amount over the MG payments received for the term year. If the annual PG amount was less than the total MG payments received by the City during the given term year, then IKE will not have to remit any additional sums to the City for that respective term year. The anticipated financial yield for the City provided by IKE is attached hereto as Attachment D.

CONCLUSION

The Administration recommends that the Mayor and City Commission approve the essential business terms of an agreement with IKE Smart City, LLC, pursuant to Request For Proposals (RFP) No. 2022-040-KB, to design, manufacture, install, maintain, and operate interactive digital media kiosks. If the material terms are approved by the City Commission, the Administration and the City Attorney’s Office will work with IKE to finalize the Agreement. The Resolution authorizes the City Manager and City Clerk to execute an agreement with IKE consistent with the approved terms.

EC / JG / AD / KB

ATTACHMENTS:

- A – Material Terms
- B – Kiosk Locations
- C – Kiosk Designs
- D – IKE Smart City Revenue Projections

Attachment A

Material Terms

**AGREEMENT
BETWEEN
THE CITY OF MIAMI BEACH
AND
IKE SMART CITY, LLC
TERM SHEET**

Locations: The City Manager will initially approve fifteen (15) IKE Kiosks (“Phase 1”), with the final location to be subject to the approval of the City Manager. The City Manager may also approve, at the sole discretion of the City Manager, up to fifteen (15) additional IKE Kiosks (“Phase 2”) during the Term, for a total number not to exceed thirty (30) IKE Kiosks during the Term (the “Operational Ceiling”). The location and installation of any Phase 2 IKE Kiosks approved by the City Manager shall be subject to the mutual approval of the parties.

Non-Exclusive Grant of Rights: The City has executed an agreement, dated October 22, 2021 (the “Bus Shelter Agreement”), with Outfront Media Group, LLC (“Outfront”). This Agreement, and in particular the possible Locations for the IKE Kiosks, shall be subject to the rights granted by the City to Outfront with respect to the Bus Shelter Zone. Without limiting the foregoing, the rights granted in this Agreement to the Company are non-exclusive; provided, however, that the City agrees not to install, or permit or allow the installation of, any other Advertising Freestanding Kiosk within 250 feet from the closest edge of any Installed IKE Kiosk (the “IKE Kiosk Exclusivity Zone”). The foregoing limited exclusivity is intended to solely limit Advertising Freestanding Kiosk within the IKE Kiosk Exclusivity Zone. For the sake of clarity and without modifying the foregoing limited exclusivity, the City or a City’s contractor shall not be prohibited from displaying advertising on any other type of temporary or permanent structure within the IKE Kiosk Exclusivity Zone including, without limitation, water fountain; garbage cans; ashtrays; kiosks related to a rental sharing program for bicycles or other mobility devices; bicycles or any other mobility devices; special events related kiosks, tables, stands, etc.; or property owned or controlled by the City including, without limitation, parking facilities, buildings, Parks, or other similar facilities.

Ownership/Maintenance: IKE owns the IKE Kiosks and, at its sole cost and expense, shall be solely responsible for the day to day operation, maintenance and repair of all Locations and any equipment thereon including, without limitation, the IKE Kiosks.

Term: The term of this Agreement shall be for a period commencing upon the Effective Date and expiring on the tenth (10th) year immediately following the date that is the earlier of (a) the Operational Date for the fifteenth (15th) IKE Kiosk to be installed, or (b) the date that is one (1) year from the Effective Date (the “Initial Term”).

Renewal Term: The Agreement shall automatically renew for one (1) additional renewal term of ten (10) years (the “Renewal Term,” and together with the Initial Term, the “Term”); provided that Company satisfied the Renewal Criteria, as defined below, as of the end of the Initial Term.

The term “Renewal Criteria”, as used herein, means during the last twelve (12) consecutive full month period of the Initial Term (a) Company shall have deployed monthly updates to the Software for the IKE Kiosks, (b) Company shall not have been in default beyond any applicable notice and cure period with respect to its maintenance, repair, and replacement obligations required by the Agreement, including satisfying monitoring obligations, obligations to replace the IKE Kiosks or their component parts to ensure functionality, and obligations to ensure the Software is functional for its purposes, (c) Company has electronic monitoring for each IKE kiosk 24 hours per day/7 days per week, to ensure that all software is operable and shall have remedied

any interruptions or malfunctions in the software as soon as reasonably practicable, ensuring that the IKE Kiosks are operation in accordance with the terms of this Agreement, (d) Company has replaced any hardware components or internal networking components as needed, ensuring that the IKE Kiosks are operation in accordance with the terms of this Agreement (e) Company shall not be in default beyond any applicable notice and cure period with respect to its obligations to pay the Kiosk Revenue, (f) Company has kept the applications and features and other content on the IKE Kiosks up to date and otherwise in compliance with the content management plan developed by Company and City and pursuant to the terms of this Agreement, and (g) during the Initial Term, Company will have maintained all of the IKE Kiosks in the IKE Kiosk network in like new condition.

Term Year: The term "Term Year" means each successive twelve (12) month period of the Term, with the first Term Year commencing on the Operational Date of the first Installed IKE Kiosk and expiring twelve (12) months thereafter.

Termination Rights:

In the event that the applications for the Required Approvals and installation permits for the installation of the first IKE Kiosk are not submitted to the City within six (6) months from the Effective Date of the Agreement or applications for the Required Approvals and installation permits for the installation of the first fifteen (15) IKE Kiosks are not submitted to the City within one (1) year from the Effective Date, either party may terminate the Agreement, and the Non-Refundable Advance Payment received by the City up to that point shall be considered earned and non-refundable.

TERMINATION FOR CONVENIENCE OF THE CITY. COMMENCING AS OF THE EXPIRATION OF THE SIXTEENTH (16TH) YEAR FOLLOWING THE EFFECTIVE DATE OF THE AGREEMENT, THE CITY MAY ALSO, THROUGH ITS CITY MANAGER, AND FOR ITS CONVENIENCE AND WITHOUT CAUSE, TERMINATE THIS AGREEMENT IN WHOLE, OR IN PART, BY TERMINATING ONE OR MORE INSTALLED IKE KIOSKS (EACH A "TERMINATED INSTALLED IKE KIOSK"), BY GIVING WRITTEN NOTICE TO COMPANY OF SUCH TERMINATION; WHICH SHALL BECOME EFFECTIVE WITHIN THIRTY (30) DAYS FOLLOWING RECEIPT BY THE COMPANY OF SUCH NOTICE; IF THE AGREEMENT IS TERMINATED FOR CONVENIENCE BY THE CITY UNDER THIS SECTION, COMPANY SHALL PAY THE CITY FOR ANY SUMS DUE UP TO THE DATE OF TERMINATION; FOLLOWING WHICH THE CITY SHALL BE DISCHARGED FROM ANY AND ALL LIABILITIES, DUTIES, AND TERMS ARISING OUT OF, OR BY VIRTUE OF, THIS AGREEMENT.

Kiosk Revenue:

a. Non-Refundable Prepayment. Within five (5) calendar days from the Effective Date, Company will provide a \$1,000,000.00 non-refundable advance payment ("Non-Refundable Advance Payment") to the City, to be used as a credit towards future Kiosk Revenue payments.

b. Minimum Annual Guaranty Payment (MG). The term "Minimum Annual Guaranty" means an amount equal to \$20,000.00 annually per Installed IKE Kiosk, during the first Term Year (as defined herein), commencing from the first date in which an IKE

Kiosk becomes operational ("Initial Operational Date"), payable in quarterly payments of \$5,000 per quarter.

The Minimum Annual Guaranty payment per Installed IKE Kiosk shall increase on the first day of each Term Year thereafter by an amount equal to two percent (2%) over the Minimum Annual Guaranty payable in the immediately preceding Term Year.

c. Revenue Share. Company shall pay to the City an amount equal to the greater of the (a) Revenue Share (as defined herein) applicable to a given Term Year and (b) the Minimum Annual Guaranty applicable to such Term Year, paid quarterly as set forth in subpart b, above (the "Kiosk Revenue"). The term "Revenue Share" means an amount equal to forty percent (40%) of the annual Gross Revenues earned by Company with respect to the operation of all the Installed IKE Kiosks during each Term Year.

Within thirty (30) days following end of each Term Year, the Company shall submit, together with the Company's annual statement of Gross Revenues for the immediately preceding Term Year, Company shall provide the City with a reconciliation statement reflecting the difference between the Minimum Annual Guaranty and the annual Revenue Share ("Reconciliation Statement"), along with the payment due to the City. If a Reconciliation Statement shows that the amount of the Revenue Share payable during a Term Year exceeded the Minimum Annual Guaranty applicable to such Term Year, then the Company shall also remit to the City the difference between the Minimum Annual Guaranty paid during such Term Year and the Revenue Share applicable to such Term Year, subject to any audit findings. If a Reconciliation Statement shows that the amount of Revenue Share payable during a Term Year is less than the Minimum Annual Guaranty applicable to such Term Year, then Company shall be deemed to have satisfied its obligation to pay the Kiosk Revenue for such Term Year, subject to any audit findings.

Default and Remedies; Bond; Surrender:

1. Bankruptcy. If either the City or Company shall be adjudged bankrupt or insolvent, or if any receiver or trustee of all or any part of the business property of either party shall be appointed.

2. Default in Payment.
In the event Company fails to submit any payment within five (5) days of its due date, there shall be a late charge of five percent (5%) of the payment amount due, in addition to, and not in lieu of, the interest at the rate of eighteen percent (18%) per annum or the highest rate allowable by law, whichever is less. If any payment and accumulated penalties are not received within fifteen (15) days following receipt of written notice from the City of such failure, then the City may, without further demand or notice, terminate this Agreement without being prejudiced as to any remedies which may be available to it for breach of contract; and may begin procedures to collect the Performance Bond required in Section (b) herein.

3. Non-Monetary Default. In the event that Company or the City fails to reasonably perform or observe the non-monetary covenants, terms or provisions under this Agreement (excluding Subsections (4) and (5)), and such failure continues thirty (30) days after written notice thereof from the other party hereto,

such non-defaulting party may immediately or at any time thereafter, and without further demand or notice, terminate this Agreement without being prejudiced as to any remedies which may be available to it for breach of contract. In the event that a default is not reasonably susceptible to being cured within such period, the defaulting party shall not be considered in default if it shall, within such period, commence with due diligence and dispatch to cure such default and thereafter completes with dispatch and due diligence the curing of such default, but in no event shall such extended cure period exceed ninety (90) days from the date of written notice thereof. In the event Company cures any default pursuant to this subsection, it shall promptly provide the City Manager with written notice of same.

4. Continuous Operation. The failure of any IKE Kiosk to be operational for a period of time exceeding fifteen (15) continuous calendar days, after written notice from the City, shall constitute a default under this Agreement. No additional cure period shall apply to a default under this Subsection 18(a)(3). Notwithstanding the foregoing, Company shall not be in default under this Section 18(a)(3) in connection with any downtime resulting from the City's action, a utility company's action or a force majeure event.

5. Florida Public Records Law. The failure of Company to comply with the requirements of Section 20, if such failure continues for more than thirty (30) days after Company's receipt of written notice thereof from the City.

6. City's Remedies for Company's Default. right to give to Company a notice of termination of this Agreement; In addition to the rights set forth above, the City shall have the rights to pursue any and all of the following:

a. the right to injunction or other similar relief available to it under Florida law against Company; and or

b. the right to maintain any and all actions at law or suits in equity or other proper proceedings to obtain damages resulting from Company's default.

7. If an event of default by the City shall occur, the Company may, after expiration of the cure periods, as provided above, terminate this Agreement upon written notice to the City.

Performance Bond or Alternate Security: A Performance Bond, in the amount of One Hundred Thousand (\$100,000.00) Dollars, shall be provided by the Company in faithful observance of this Agreement.

Advertising Content/Standards:

(a) While the City understands the need to maximize advertising revenue, the City is also interested in maintaining a pleasant and aesthetic image and ensure the quality-of-life of its residents. The City Manager may request removal of any advertisement displayed or placed on an IKE Kiosk that is otherwise prohibited by this subpart.

(b) Company is solely responsible for all design, development, production, redesign, removal, and installation of advertising.

(c) Company shall provide, install, and maintain high quality, professionally designed commercial advertising displays on the IKE Kiosks. Company shall adhere to generally accepted principles of advertising in relation to good taste and truth in advertising. No advertising which is considered objectionable and offensive in its content or method of presentation shall be displayed. Whenever a question arises as to the propriety of an advertisement, prior to its installation, Company is required to submit the advertisement work to the City's Contract Manager for review and approval.

(d) Company shall comply with the City's Advertising Guidelines, which guidelines are set forth in this subpart. Company shall neither accept for display, install, display nor maintain any advertisement that falls within one or more of the following categories;

(1) Has a strobing effect or visually replicates a traffic sign in colors and words, including but not limited to a red sign with the words "Stop", or a yellow sign with the words "LOOK", with the intent of falsely presenting themselves as emergency or official governmental signs. The City understands that words like "look" and "stop" may be used casually in advertisements, but should not be incorporated as the main call out message, paired with full color backgrounds of traditional traffic or safety colors (red, yellow, orange).;

(2) false or misleading;

(3) material that is immoral, lascivious, or obscene as defined in Section 847.001, Florida Statutes;

(4) no advertising shall be for businesses engaged in any activity that requires the exclusion of minors pursuant to Chapter 847, Florida Statutes;

(5) promotes unlawful or illegal goods, services or activities;

(6) tobacco or tobacco related products including electronic cigarettes;

(7) firearms;

(8) sexual services, programs or products;

(9) political candidates or political issues, campaigns; and

(10) competitive products included in any citywide exclusive sponsorship agreement with non-alcoholic pouring rights providers, as notified in writing to Company at least 90 days prior to the date on which the sponsorship begins; provided, however, Company shall not be obligated to comply with this restriction with respect to more than (A) one (1) citywide exclusive pouring rights sponsor for non-alcoholic beverage categories other than energy drinks, and one (1) citywide exclusive pouring rights sponsor for non-alcoholic energy drinks at any given time during the Term and (B) two (2) citywide exclusive sponsorship agreements with non-alcoholic pouring rights providers per Term Year of the Term. As of the Effective Date of this Agreement the City has executed an exclusive pouring rights agreement with PepsiCo for all non-alcoholic beverage categories, including but not limited to soda, water, juice, iced tea, isotonic, and an exclusive pouring rights agreement with Red Bull for the non-alcoholic energy drink beverage category, as such, advertising of any competing products is prohibited; and

(11) Advertisement relating to medical marijuana; and

(12) any such additional category of advertising that may be added by the Mayor and City Commission, as notified in writing to Company.

(e) Advertising of alcoholic beverages, as defined by Section 561.01, Florida Statutes, shall be permitted with the following restrictions:

(1) No advertising for alcoholic beverages shall be within 250 feet of any type of public or private school, including pre-schools, elementary schools, middle schools, high schools, colleges, and universities;

- (2) No advertising for alcoholic beverages shall be within 250 feet of houses of worship, including churches, synagogues, temples, and mosques;
- (3) No advertising for alcoholic beverages shall be within 250 feet of Hospitals or addiction treatment centers;
- (4) No ad shall be allowed that promotes over consumption or boisterous/party behaviors. Additionally, all alcohol advertisements must be followed with an advertisement that speaks to safe consumption of alcohol, example "Drink Responsibly Miami Beach"; and
- (5) All advertising for alcoholic beverages must include the disclaimer below as mandated by the Alcoholic Beverage Labeling Act ("ABLA") of 1988. Government warning disclaimer must be equal to at least 10% of the size of the ad: "GOVERNMENT WARNING: (1) According to the Surgeon General, women should not drink alcoholic beverages during pregnancy because of the risk of birth defects. (2) Consumption of alcoholic beverages impairs your ability to drive a car or operate machinery, and may cause health problems."

(f) **Advertising Removal.** Any prohibited material, in violation of this section, or unacceptable material, as determined by the City Manager, in the City Manager's sole discretion, which is displayed or placed, shall be removed immediately upon written notice to Company to remove said advertising, which notice may be sent via e-mail at: realestate@orangebarrelmedia.com, from the City Manager or City's Contract Manager. In the event Company fails to remove the advertising within 24 hours of receipt of the City's written notice, the City may take necessary actions to remove the advertisement. Company is obligated to reimburse the City for actions taken under this provision. The City is not liable for any damages in connection therewith.

Public Benefits:

(a) **City Content.** City Directed Content will be shown on the IKE Kiosks in accordance with the following schedule:

(1) During Interactive Mode, City Directed Content will occupy a minimum of sixty-six percent (66%) of the screen area on each of the IKE Kiosks.

(2) During Passive Mode, at least one (1) Spot out of every eight (8) Spots shown on an IKE Kiosk screen will contain City Directed Content. All Spots shall be of equal duration. City Directed Content may also be displayed during any unsold Spots, as available.

(b) **Additional Advertising Opportunities.** The Company shall provide the City with \$550,000.00 in free advertising time annually on its network of IKE Kiosks and large-format signs installed across the continental United States. The City shall provide the copy for the advertisements to the Company in a format capable of being displayed on the IKE Kiosks and large-format signs, and the content of such advertisements shall be limited to conveying information about the City for the purpose of attracting visitors to Miami Beach. The Company

shall have discretion in determining when and where to display the advertising provided by the City.

Ike Kiosk Services and Applications: The IKE Kiosks may display the following applications:

(a) *Wayfinding*, including multimodal mapping to destinations (including real time arrival and departure information), businesses and other points of interest (sorted into freestanding apps such as *Eat, Play, Shop, Stay*);

(b) *Getting Around*, including real-time arrival and departure information for public transit, bike share and car share services all accessed from an interactive map;

(c) *Question of the Week*, allowing for City to survey the public on its opinions and ideas;

(d) *City Content at No Cost to City*, including, without limitation, *Public Service Announcements, Events* (including a comprehensive event and activity listing for City), community, art, commercial messaging and other messaging for City programs;

(e) *Jobs*, including career and internship postings within City, arranged geographically to encourage workforce development;

(f) *Photobooth*, including customized City-themed background postcards and social media integration;

(g) *Emergency Communication*, including a protocol for real-time posting of essential City communication such as, without limitation, storm warnings, amber alerts and road closures. These alerts shall be posted by Company immediately upon receipt of the information from the City;

(h) *Pedestrian Counting*, including wireless-based measurement of pedestrians within range of the IKE unit, and a web-based dashboard containing analytics for City's use;

(i) *Air Quality Monitoring*, including relaying data to City on a regular basis;

(j) *Arcade*, including video games and other applications used to encourage user engagement, employing the unique touch-screen capabilities of the IKE Kiosks;

(k) *Directory signs*, including the listing of businesses and other points of interest within the City; and

(l) *Security Camera*, each IKE Kiosk shall be equipped with a security camera having digital video recorder technology, with the footage being maintained a minimum of fourteen (14) days and will be made available to the City pursuant to a dashboard access or upon the City's request. The footage shall be available in a format that is accessible and playable as a video by the City's integration system.

IKE Kiosk Features:

(a) Capability to resist graffiti or allow for easy removal of graffiti and application of touch-up paint;

(b) Weatherproof, ability to operate at high heat and humidity without breakdown; and resistant to hurricane force winds;

(c) Touch screen technology shall be the primary interface of the device, with display of advertising, as permitted under this Agreement, when passive, but upon engagement by a user, the advertising must be minimized or eliminated to take secondary position to interactive content; with filtering to search by category of activity;

(d) directory shall be equipped with the ability to connect with smart phones that can direct user to a web based information; customized mapping and way finding to points of interest; real time public transit; integration of social media; and other Smart City technologies;

(e) Fully American with Disabilities Act (ADA) compliant, including adjusting height of content and interactive features for users in wheelchairs. Each IKE Kiosk must meet ADA regulations including approach height/reach requirements and accessibility for visually impaired;

(f) The directory shall allow for opportunities to incorporate accessible technologies for the visually impaired;

(g) ability to switch between English and Spanish with support for other languages if required at a later date;

(h) include procedure for ensuring the contacts are up to date, accurate and relevant; software to provide for remote, easy and efficient additions and deletions of data and content, including graphics and photographs; and

(i) Company shall be responsible for daily management of content, some of which may be static, some will change periodically and some will change constantly, such as promotions and events; and integrate the City's existing graphical palette into the program/software; Company shall provide the all of the content for the Kiosk including, without limitation, photographs, images, narratives, business and building names and addresses, goods and services provided by businesses, as well as attractions and events.

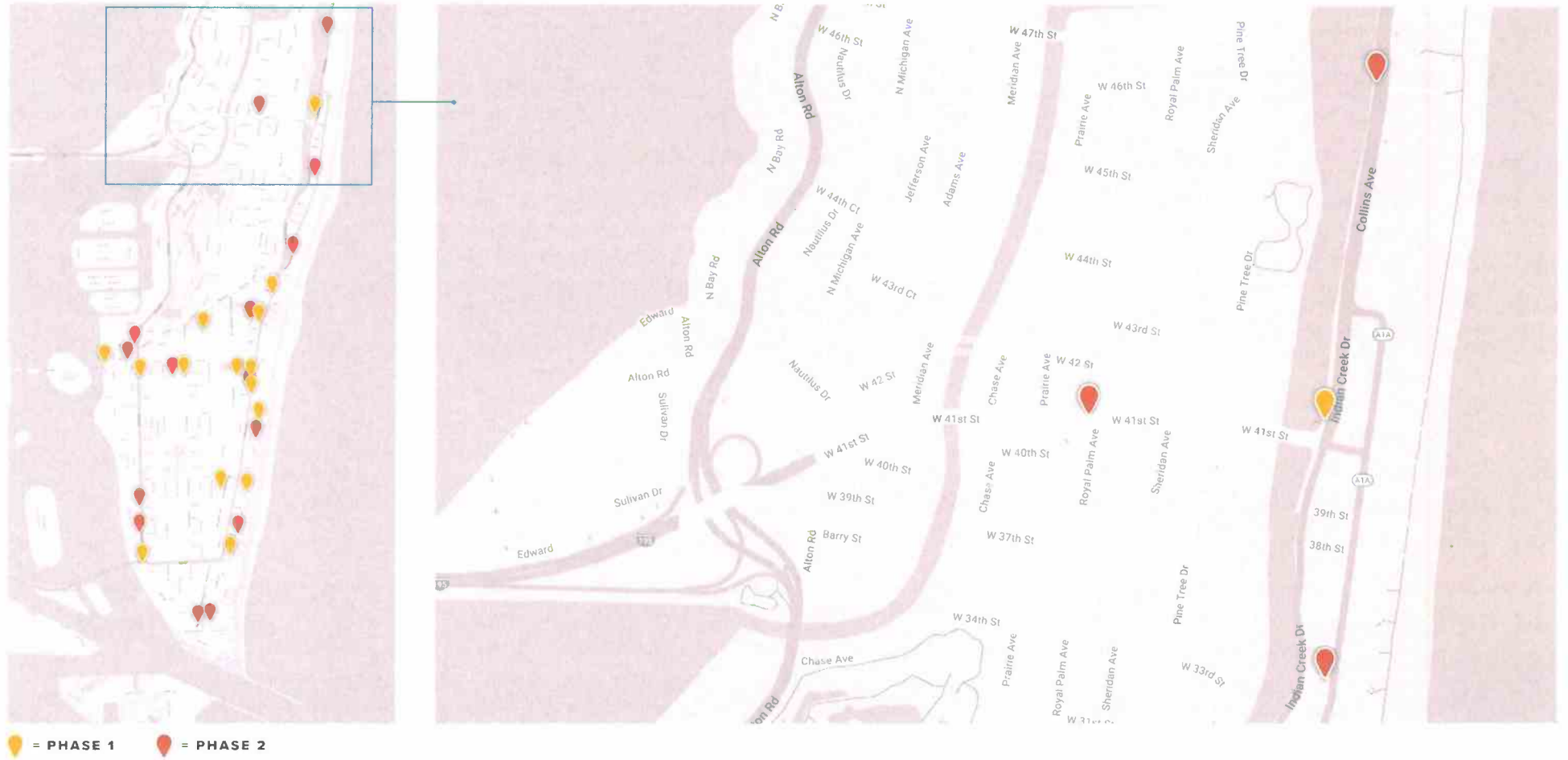
Other Standard City Contract Provisions: The final agreement shall also include, without limitation, Public Records Law; Office of Inspector General Provision; Force Majeure; Insurance and Indemnification provisions; and other standard provisions contained in similar City Agreements.

Attachment B

Kiosk Locations

- All locations identified are for illustrative purposes only.
- All kiosks must comply with the exclusivity zone requirements of the City's bus shelter agreement.
- All locations require the approval of the City Manager.

PROPOSED IKE KIOSK LOCATIONS: 30 TOTAL



All IKE kiosk locations are subject to shift as technical due diligence is completed by IKE's local civil engineer. This includes identifying a power source, ensuring that all locations are sited for ADA compliance and with appropriate setbacks from the curb or other objects in the right-of-way, and confirming that there are no underground utility conflicts. All IKE kiosk locations will be at least 250' from the closest edge of any bus shelter, with the exception of IKE kiosk installations on Lincoln Road.

PROPOSED IKE KIOSK LOCATIONS: 30 TOTAL (CONT.)



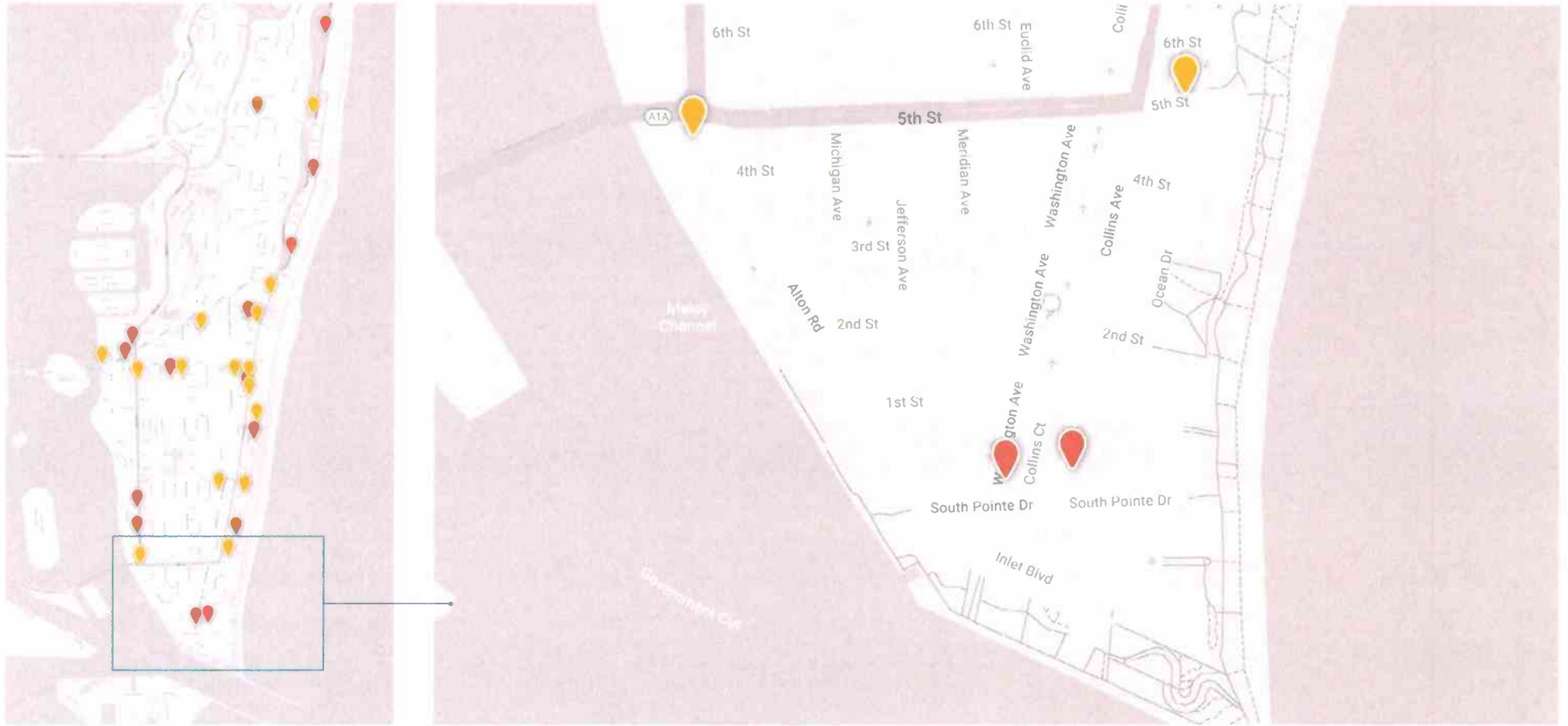
All IKE kiosk locations are subject to shift as technical due diligence is completed by IKE's local civil engineer. This includes identifying a power source, ensuring that all locations are sited for ADA compliance and with appropriate setbacks from the curb or other objects in the right-of-way, and confirming that there are no underground utility conflicts. All IKE kiosk locations will be at least 250' from the closest edge of any bus shelter, with the exception of IKE kiosk installations on Lincoln Road.

PROPOSED IKE KIOSK LOCATIONS: 30 TOTAL (CONT.)



All IKE kiosk locations are subject to shift as technical due diligence is completed by IKE's local civil engineer. This includes identifying a power source, ensuring that all locations are sited for ADA compliance and with appropriate setbacks from the curb or other objects in the right-of-way, and confirming that there are no underground utility conflicts. All IKE kiosk locations will be at least 250' from the closest edge of any bus shelter, with the exception of IKE kiosk installations on Lincoln Road.

PROPOSED IKE KIOSK LOCATIONS: 30 TOTAL (CONT.)



🟡 = PHASE 1 🔴 = PHASE 2

All IKE kiosk locations are subject to shift as technical due diligence is completed by IKE's local civil engineer. This includes identifying a power source, ensuring that all locations are sited for ADA compliance and with appropriate setbacks from the curb or other objects in the right-of-way, and confirming that there are no underground utility conflicts. All IKE kiosk locations will be at least 250' from the closest edge of any bus shelter, with the exception of IKE kiosk installations on Lincoln Road.

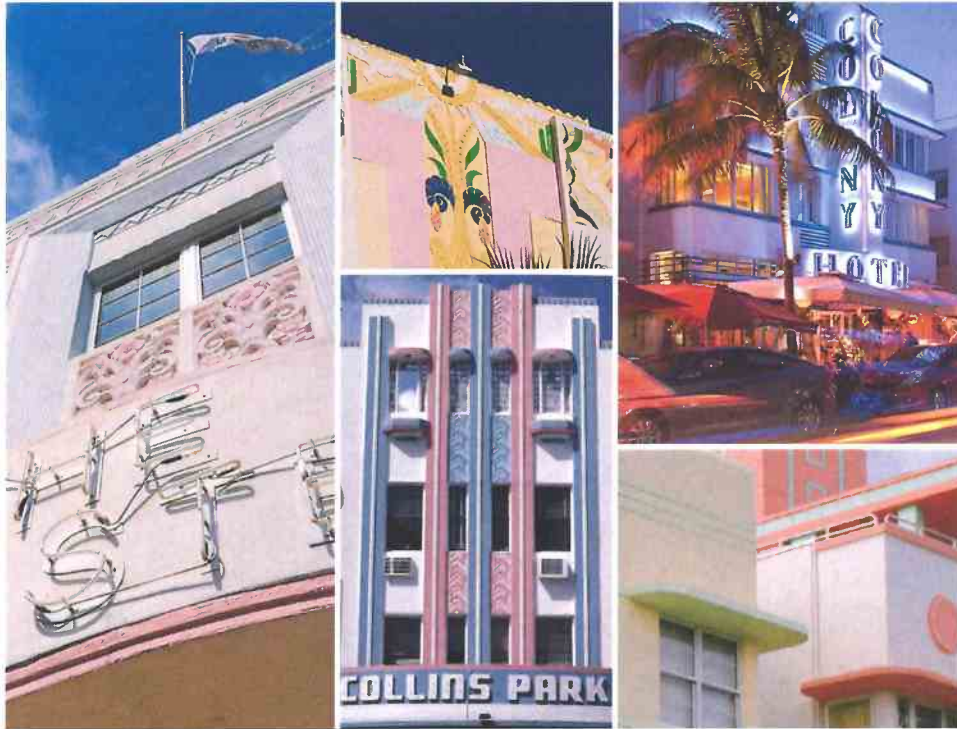
Attachment C

Kiosk Designs

KIOSK DESIGN CONCEPT 1

INSPIRATION: ARCHITECTURE

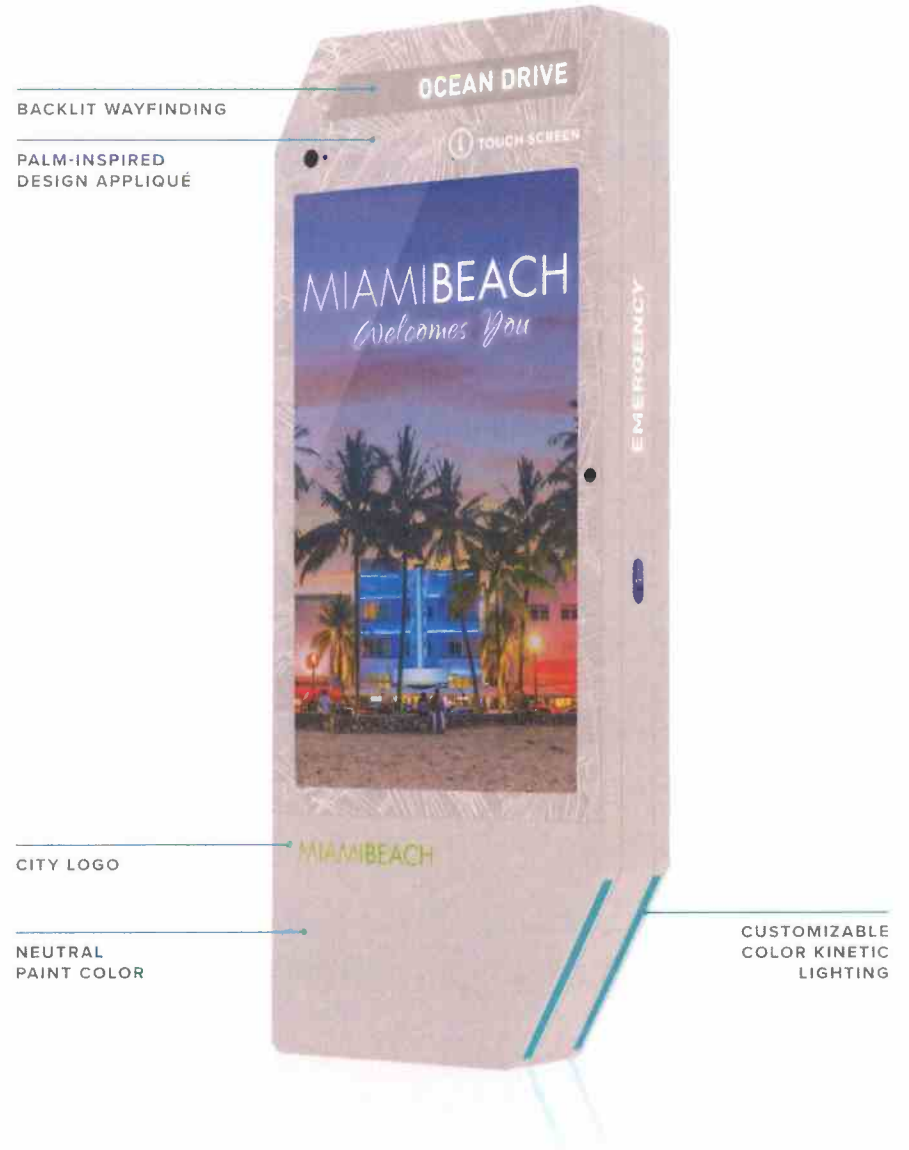
Miami Beach is renowned for its impressive collection of Art Deco buildings. Each one is uniquely its own with different forms, zig-zags, and chevrons adorning solid-color backgrounds. This kiosk design uses a hard-lined geometric pattern over a soft base color to reflect the distinctive architectural style of the City's streetscape.



KIOSK DESIGN CONCEPT 2

INSPIRATION: PALMS

Towering palm trees are a beloved hallmark of Miami Beach. They line the streets and dot the beaches, weaving a canopy of leaves across the City. This kiosk design takes cues from nature and uses a tonal pattern of palms over a neutral paint color to seamlessly integrate with the landscape.



3.1 KIOSK DESIGN

KIOSK DESIGN CONCEPT 3

INSPIRATION: WAVES

Miami Beach is known for its soft white sands and crystal clear water. Beaches are a defining characteristic of the scenery and a fundamental part of an outdoor lifestyle that draws residents and visitors to the area. This design pairs a light, clean paint color with gently curved lines that mirror the rippling of the ocean to capture the City's urban-seaside vibe.



Attachment D

IKE Smart City Revenue Projections

- Revenue projects included in IKE Smart City's proposal in response to Request for Proposals (RFP) 2022-040-KB Design, Manufacture, Install, Operate, and Maintain Interactive Digital Media Kiosks.

4.2 REVENUE TO THE CITY

PRO FORMA

Year	Prepayment	Lease Term									
	0	1	2	3	4	5	6	7	8	9	10
Gross Revenues											
Miami Beach IKE Network (15 Units)		\$ 1,921,920.00	\$ 2,262,374.40	\$ 2,738,038.62	\$ 2,820,179.78	\$ 2,904,785.17	\$ 2,991,928.72	\$ 3,081,686.59	\$ 3,174,137.18	\$ 3,269,361.30	\$ 3,367,442.14
Total Gross Revenues		\$ 1,921,920.00	\$ 2,262,374.40	\$ 2,738,038.62	\$ 2,820,179.78	\$ 2,904,785.17	\$ 2,991,928.72	\$ 3,081,686.59	\$ 3,174,137.18	\$ 3,269,361.30	\$ 3,367,442.14
Revenue Share											
IKE \$1MM Prepayment/Reimbursement	\$1,000,000.00	\$ (468,768.00)	\$ (531,232.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Minimum Annual Guarantee (MAG)		300,000.00	306,000.00	312,120.00	318,362.40	324,729.65	331,224.24	337,848.73	344,605.70	351,497.81	358,527.77
Percentage Revenue Share		468,768.00	598,949.76	783,095.45	809,709.51	837,184.42	865,547.25	894,825.91	925,049.17	956,246.71	988,449.08
Total Revenue Share to City of Miami Beach	\$1,000,000.00	\$ -	\$ 67,717.76	\$ 1,095,215.45	\$ 1,128,071.91	\$ 1,161,914.07	\$ 1,196,771.49	\$ 1,232,674.63	\$ 1,269,654.87	\$ 1,307,744.52	\$ 1,346,976.86

Year	Lease Term									
	11	12	13	14	15	16	17	18	19	20
Gross Revenues										
Miami Beach IKE Network (15 Units)	\$ 3,468,465.40	\$ 3,572,519.36	\$ 3,679,694.95	\$ 3,790,085.79	\$ 3,903,788.37	\$ 4,020,902.02	\$ 4,141,529.08	\$ 4,265,774.95	\$ 4,393,748.20	\$ 4,525,560.65
Total Gross Revenues	\$ 3,468,465.40	\$ 3,572,519.36	\$ 3,679,694.95	\$ 3,790,085.79	\$ 3,903,788.37	\$ 4,020,902.02	\$ 4,141,529.08	\$ 4,265,774.95	\$ 4,393,748.20	\$ 4,525,560.65
Revenue Share										
IKE \$1MM Prepayment/Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Minimum Annual Guarantee (MAG)	365,698.33	373,012.29	380,472.54	388,081.99	395,843.63	403,760.50	411,835.71	420,072.43	428,473.87	437,043.35
Percentage Revenue Share	1,021,687.83	1,055,995.45	1,091,405.44	1,127,952.33	1,165,671.72	1,204,600.31	1,244,775.92	1,286,237.55	1,329,025.41	1,373,180.91
Total Revenue Share to City of Miami Beach	\$ 1,387,386.16	\$ 1,429,007.75	\$ 1,471,877.98	\$ 1,516,034.32	\$ 1,561,515.35	\$ 1,608,360.81	\$ 1,656,611.63	\$ 1,706,309.98	\$ 1,757,499.28	\$ 1,810,224.26